EUROPE'S BUSINESS NEWSPAPER

FINANCIAL TIMES

FT No. 31,350

Friday January 11 1991

D 8523A

Austria	Sch28	Iran	Rls210	Pakistan	Rs35
Bahrain	Din0.900	Israel	Shk4.00	Philippines	Pes40
Belgium	BFr60	Italy	L2200	Poland	Zl 9,000
Cyprus	C£1.00	Jordan	JD1.20	Portugal	Esc185
Denmark	DKr13	Korea	Won 2000	Qatar	QR10.00
Egypt	£E3.50	Kuwait	Fils.500	S.Arabia	SR9.00
Finland	FM9.50	Lebanon	L£1,000	Singapore	S$4.10
France	FFr7.50	Lux	LFr60	Spain	Pta175
Germany	DM3.00	Malaysia	M$4.25	Sweden	SKr13
Greece	Dr200	Morocco	MDh10	Switz	SFr2.70
Hungary	Ft120	Neth	Fl 3.50	Thailand	Bht50
Iceland	IKr160	Nigeria	Naira12	Tunisia	Din0.900
India	Rs20	Norway	NKr13.00	Turkey	L3000
Indonesia	Rp3100	Oman	OR1.20	UAE	Dh8.00

ALBANIA

Refugees flee life of poverty

Page 4

World News

Gorbachev issues an ultimatum to Lithuania

Soviet president Mikhail Gorbachev delivered an ultimatum containing a veiled threat of presidential rule for Lithuania unless it renounces its moves towards independence. Page 16

Chinese promise

China will soon conclude trials of all dissidents arrested after the suppression of pro-democracy demonstrations in 1989, a government spokesman said, promising a policy of leniency.

Pilot error blamed

An Indian Airlines Airbus A-320 crash at Bangalore in February 1989 was due to the failure of the pilots to maintain correct speed on approach to the runway, a court of inquiry decided. Page 6

Ex-minister guilty

Luis Arce Goméz, a former Bolivian interior minister, was convicted by a federal jury in Miami on two counts of cocaine conspiracy. He faces 30 years' jail. Page 6

Gang rapists jailed

Two more teenagers were jailed in the second trial stemming from the gang rape of a woman jogger in New York's Central Park. One was given five to 15 years and the other five to 10.

Deputy shot dead

Pakistan ordered troops into the south-western town of Jhang after a parliamentary deputy was shot dead as he arrived to vote in a by-election. A second man died in an apparent retaliation. Page 6

Passive smoking toll

An estimated 53,000 people die in the US each year from diseases caused by passive smoking and office workers are especially vulnerable, according to the American Heart Association journal.

Shrine dispute study

Hindu and Moslem leaders agreed to an expert study of their respective claims to the 400-year-old Ayodhya shrine that has brought down two Indian governments. Page 6

Nuclear waste ban

Dutch workers refused to load a ship with nuclear waste from a German plant, saying the cargo was too dangerous.

Curb on abortion

Czechoslovakia's parliament adopted a compromise bill of rights that could restrict abortion, used widely as a substitute for contraception.

Brokers convicted

A Chicago jury convicted 10 soyabean brokers and traders of fraud and racketeering. They will be sentenced later. Page 6

Cold kills 42

Cold weather sweeping through north eastern Bangladesh has killed eight more people, raising the toll to 42 in a week.

UFO fans warned

US space officials warned skywatchers that a mysterious bright glow above the western hemisphere over the next 16 days is not a squadron of UFOs but a satellite launched to study the earth's atmosphere.

Business Summary

Spanish group sells Ertoil division for Pta45bn

Ercros, the big Spanish chemical group whose majority shareholder is controlled by the Kuwait Investment Office (KIO), sold its petrochemical division, Ertoil to the Luxembourg-based investment group General Mediterranean Holding (GHM) for a reported Pta45bn ($478m). Page 17

MARKETS: Wall Street: The Dow Jones Industrial Average was 20.79 higher at 2,491.09 at 2pm. Tokyo: The Nikkei index closed at 23,047.36. Frankfurt: DAX index closed at 1,383.40. Back Page, Section II; Lex, Page 16

NORWAY'S government intervened in the deepening crisis in the country's banking system and proposed a NKr5bn ($843m) "bank insurance fund". Page 16

FORD Motor, the second largest automobile manufacturer in the US, confounded Wall Street speculation by maintaining its dividend in the face of a crumbling American car market. Page 17

DAIWA Securities, one of Japan's leading financial institutions, has signed a series of deals to provide consultancy and training for the establishment of a new Soviet stock exchange. Page 17

ARAMCO, Saudi Arabia's largest producer of crude oil, has adopted emergency evacuation procedures for employees caught in the firing line of a Gulf war. Page 3

TSB, UK bank group unveiled disappointing pre-tax profits for 1990 after making heavy losses on its corporate lending. Page 17; Lex, Page 16

SAATCHI & Saatchi, troubled UK-based advertising group, unveiled proposals for a radical reconstruction package. Page 17; Analysis, Page 25; Lex, Page 16

EUROPEAN aerospace companies including Aerospatiale of France, Deutsche Aerospace and Aeritalia plan to set up a new manufacturing consortium to build a range of 80 to 130-seat regional jets. Page 16

ITALY'S leading stockbroker welcomed the country's new law on stock exchange reform, which came into operation on Monday, Page 22

ZENITH Electronics, the last remaining US company that makes television sets, faces a fight to take control of its board from Nycor, a New Jersey company which makes air conditioners. Page 20

BRAZIL has authorised the country's first ever joint venture in the information technology industry. Page 6; Land Rover plant, Page 8

DIGITAL Equipment of the US, the second largest computer manufacturer, is to lay off up to 3,500 workers as part of continuing cost-cutting measures. Page 20

PAN AM, the US airline which filed for Chapter 11 bankruptcy earlier this week, is to return to the courts in the hope of getting its controversial plan to sell its Heathrow routes to United Airlines approved by the Bankruptcy Court judge.

Embassies abandoned as Baghdad exodus begins

By **Mark Nicholson** in London and **Tony Walker** in Baghdad

WESTERN embassies in Baghdad were abandoned yesterday and civilians in the Gulf scrambled for every available flight to safety as the world was suddenly faced with the prospect of fighting in the Gulf.

Dozens of western officials were leaving Iraq either by air or across its land border with Jordan. British embassy staff, led by Mr Harold Walker, the ambassador, set off in a motor convoy for Jordan early yesterday.

US officials will leave on Saturday. Italy and Belgium said their diplomats would return home immediately, while most other European Community countries are also evacuating staff. A series of other developments added to a feeling that the Gulf was slipping towards war.

● Prices of North Sea brent crude oil for February followed Wednesday's $3 a barrel rise with a further 50 cents rise in very nervous trading.

● German police raided the homes of several Arabs, arresting two, and the country's main anti-terrorist force said it was taking seriously Iraq's threat to strike at targets in the west.

● Oil companies in the port of Rotterdam, site of the world's largest oil refinery complex, said they were stepping up security against possible Iraqi terrorist attacks arising from the crisis.

● Israeli security officials said they were preparing to impose a curfew on 1.5m Palestinians living in the occupied territories to crush revolt if a Gulf war breaks out.

● Lloyd's of London, the private insurance market, warned that war would spark heavy rises in shipping and aircraft insurance rates. The market also unveiled plans to open on Sundays for the first time in its 300-year history if hostilities break out.

● Relief agencies working in the Horn of Africa were preparing plans to help refugees amid estimates that 2m people might try and flee the war zone.

● The British government agreed procedures to cope with an oil shortage and convened the emergency oil supply committee – a relic of the 1940s – which could recommend rationing if the supplies of petrol and other products deteriorated.

In the Gulf, diplomats said they expected the evacuation of westerners to reach panic level in the next few days after the collapse of talks in Geneva.

Dhahran airport in Saudi Arabia's eastern province, 200km south of the Kuwaiti border, was packed with western expatriates seeking flights home, many fearing that Saudi Arabian airspace might soon be closed.

France stepped up the evacuation of its 30,000 citizens from the war-threatened Gulf region, sending two Air France airliners on an evacuation shuttle taking in Abu Dhabi, Doha, Manama, Riyadh and Amman.

Western embassies have already advised people in Bahrain, Qatar, the United Arab Emirates and Saudi Arabia's Eastern Province – all within reach of Iraqi missiles – to send dependents home before the UN deadline. Many had already left before Christmas.

Saudi Aramco, Saudi Arabia's biggest crude oil producer, yesterday adopted emergency evacuation procedures for its 14,000 expatriate employees based in the Eastern Province. Staff will be evacuated to Bahrain or the United Arab Emirates in case of war.

The US State Department, meanwhile, extended the reach of its warnings to American citizens by advising US citizens in Pakistan to leave for fear that they might become targets of attacks.

The State Department also urged its embassies in Algeria, Tunisia and Morocco to evacuate non-essential staff and families because of security risks stemming from the Gulf crisis, and advised US citizens against travelling in the area.

Gulf crisis, Page 2 and 3; KIO sells refinery, Page 17; Markets, Section II

Iraqi goodwill 'might leave room for progress' ● US Congress begins war debate

UN chief begins Gulf mission

By **Tony Walker** in Baghdad, **Michael Littlejohns** in New York, **David Buchan** in Brussels and **Ian Davidson** in Paris

AN eleventh-hour diplomatic effort to avert war in the Gulf gets under way today as Mr Javier Pérez de Cuéllar, the United Nations secretary-general, begins an internationally-backed mission which takes him to Europe and on to Iraq.

As he prepared to leave New York last night on what could be the most critical mission of his UN career, Mr Pérez de Cuéllar said that if Iraq showed goodwill "I think there is some room for making progress".

Since the Iraqi invasion of Kuwait on August 2, President Saddam Hussein has shown no sign of willingness to withdraw his forces in accordance with a series of UN Security Council resolutions, even in exchange for concessions suggested by European and other intermediaries.

A US-led multinational force in the Gulf is poised for an offensive to drive Iraq out of Kuwait after the January 15 deadline set by the UN.

Mr Pérez de Cuéllar acknowledged that the possibilities for flexibility in his negotiations were limited because "everybody's hands are tied" by UN resolutions.

Mr Gianni de Michelis, the Italian foreign minister, said yesterday that in Baghdad Mr Pérez de Cuéllar would offer to send a neutral UN force into Kuwait – without US or Saudi troops – if Iraq agreed to pull out.

"The UN is ready to organise a force that would enter Kuwait if Iraq withdrew and it will not include any of Iraq's enemies such as the Americans, Saudis or Egyptians. That is what Perez will propose", Mr de Michelis said.

Mr Francois Giuliani, the secretary-general's spokesman, said Mr Pérez de Cuéllar was not prepared to say at this stage what he might discuss, although he noted that the UN force idea had been put forward by the Nordic countries earlier this week.

The secretary-general's mission was arranged with the blessing of the US and the other four permanent members of the Security Council following the failure on Wednesday of Mr James Baker, US secretary of state, and Mr Tariq Aziz, his Iraqi counterpart to break the impasse at talks in Geneva.

As Mr Baker arrived in Saudi Arabia at the start of a tour of states in the frontline against Iraq, the US Congress yesterday, at last began to debate whether force should be used in the Gulf.

Even critics of President George Bush's approach predicted that he would win broad endorsement for the use of force in votes over the weekend.

The Democrat leaders in both the Senate and the House produced draft resolutions urging that diplomacy and the international economic embargo against Iraq should be given more time to work before a decision is taken to use force.

But even the Democrats' resolutions do not rule out the eventual use of force.

Iraq's foreign minister returned to Baghdad yesterday to report to Mr Saddam on his talks in Geneva amid growing nervousness in Baghdad about the slide towards war.

Ina, the Iraqi news agency, reported the return of Mr Aziz without comment, in line with the official silence Baghdad had maintained throughout the day on the Geneva discussions. The Iraqi leadership was expected to meet late into the night to review the talks.

In Geneva today, Mr Pérez de Cuéllar will meet the foreign ministers of EC member states.

After convening a meeting of EC political directors, the Luxembourg presidency of the EC issued a statement expressing the Community's "full support" for Mr Pérez de Cuéllar's Baghdad mission, and reiterating the EC invitation to Mr Aziz to join talks.

Mr Aziz had on Wednesday turned down the EC's proposal to hold talks in Algiers.

The possibility, raised by President François Mitterrand and his ministers that France might attempt some freelance diplomacy in the last days before the January 15 deadline brought criticism from some EC members such as Denmark.

Mr Jean-Pierre Chevènement, France's defence minister, appealed to the US to make a "little gesture" in favour of an international Middle East peace conference, on the off-chance that this might help induce Iraq to withdraw from Kuwait.

House Republican minority leader Robert Michel announces the drafting by the House foreign affairs committee of a resolution authorising President George Bush to go to war

ON OTHER PAGES

Iraq bought satellite pictures of Kuwait

By **Lionel Barber** in Washington

IRAQ bought high-definition satellite photographs of Kuwait and Saudi Arabia from a French company specialising in photo-reconnaissance three months before the August 2 invasion.

The pictures contained sensitive information about roads, infrastructure and other installations helpful to a potential aggressor. Despite this, Spot-Image, a Toulouse-based business with close links to the French government and the US department of defence, went ahead with the sale.

The last batch of photographs was delivered to Baghdad on May 2 last year, and formed part of a contract signed in 1988 to provide satellite data.

Mr Gerard Brachet, Spot-Image's chairman, who was in Washington this week, defended the deal with Baghdad in an interview with the Financial Times: "Iraq was not an unusual customer or one which commanded special attention."

Spot-Image is the privately owned sales company for the French government's heavily subsidised satellite programme. It is supplying the Pentagon and other clients in the multinational coalition with photographs of the Gulf region.

Out of a total 20 pictures delivered by Spot, "five, three or seven" were deemed sensitive by the company.

These overlapping photo-

Continued on Page 16

Commission refuses to budge on offer to Gatt negotiators

By **David Gardner** in Brussels

THE European Commission yesterday refused to make a fresh offer to cut farm subsidies as a means of restarting the stalled Uruguay Round of trade talks.

The Commission said it had no mandate to move outside the framework of the offer agreed by member states in October to cut subsidies by 30 per cent.

However, the EC's international trading partners were urged to reconsider the Community's offer, which had been refined at last month's trade ministers' meeting in Brussels.

Mr Ray MacSharry, EC farm commissioner, and Mr Frans Andriessen, external relations commissioner, told Mr Arthur Dunkel, director general of the General Agreement on Tariffs and Trade, that they still believed the refined offer represented a real shift in the EC's traditional position on farm trade from which serious negotiations could restart.

But if the US – which rejected the offer last month, along with the 14-nation Cairns group of agricultural exporters – continued to insist on further movement as a prior condition to resuming the Round, the Commission would be unable to comply.

Mr Dunkel, who was visiting Brussels in an attempt to find ways to revive the Uruguay Round, is due to report next Tuesday to Gatt members on prospects of restarting the talks.

The refined offer has not been precisely detailed by the Commission or submitted in writing. However, it is understood to include:

● Internal subsidy cuts of 30 per cent over 10 years starting in 1989, not 1986 as originally proposed. This compares with a US demand for cuts of 75 per cent over the next 10 years;

● The EC would commit itself to allowing farm imports of "at least 3 per cent" of total consumption as well as moving gradually from variable levies to a system of fixed tariffs;

● Specific commitments to limit export subsidies either by cutting the volume of trade affected or the cash spent. The EC would not, however, cut export subsidies by 90 per cent as demanded by the US;

● The EC would apply its "rebalancing" concept, whereby farm trade protection could be increased on certain products, such as feedgrain substitutes like corn gluten, but not to oilseeds and soyabeans.

The refined offer already represents a significant policy concession in the Commission's view, and is not a final, but a negotiating, position. US and Cairns group officials have implicitly recognised this by casting doubt on whether the Commission could get such a package approved by EC member states.

Commission officials said the refined offer has not been formally endorsed by member states but they believed it would be approved in the context of a global package of trade reforms. The EC has been anxious to shift the emphasis of the talks away from just agriculture.

Weekend FT

Tomorrow: Robert O'Neill, war historian, on how Saddam will lose the battle and Bush will lose the peace

●

Travel plans for '91

CONTENTS

Exploring UK budget options in the absence of reforming zeal

Norman Lamont, the UK chancellor of the exchequer, is spending this weekend "in the country" in an exploration of the British government's budget options for 1991-92

Page 8

MARKETS

STERLING
New York lunchtime:
$1.9085
London:
$1.9060 (1.9265)
DM2.9200 (2.915)
FFr9.9025 (9.8925)
SFr2.4550 (2.4525)
Y256.50 (258.25)
£ index 93.80 (94.0)

GOLD
New York: Comex Feb
$392.1 (393.0)
London:
$390.25 (373.75)

N SEA OIL (Argus)
Brent Feb
$28.50 (22.525)

Chief price changes yesterday: Page 17

DOLLAR
New York lunchtime:
DM1.56105
FFr5.193
SFr1.2855
Y134.4
London:
DM1.5315 (1.513)
FFr5.1950 (5.135)
SFr1.2875 (1.2735)
Y134.55 (134.0)
$ index 61.8 (61.5)
Tokyo close:Y135.1

US lunchtime rates
Fed Funds $6\frac{3}{16}$%
3-mo Treasury Bills:
yield: 6.38%
Long Bond:
104
yield: 8.38%

STOCK INDICES
FT-SE 100:
2108.7 (-20.2)
FT Ordinary:
1650.3 (-18.2)
FT-A All-Share:
1,013.81 (−0.9%)
New York lunchtime
DJ Ind. Av.
2,486.88 (+16.58)
S&P Comp
313.13 (+1.64)
Tokyo: Nikkei
23,047.36 (+78.09)

LONDON MONEY
3-month interbank:
closing $13\frac{27}{32}$ (same)
Liffe long gilt future:
Mar $90\frac{1}{16}$ ($90\frac{5}{8}$)

هكذا من الأصل

Baghdad puts its faith in a defensive war - and God

BAGHDAD was jittery yesterday with a dwindling foreign community talking obsessively about evacuation plans and a local populace bracing itself for war.

Iraqis say they are resigned to war. "We grew up with war, we were weaned on war," one young man said, shrugging his shoulders expressively. "We are not afraid of war."

But the long queues at petrol stations show that residents are preparing to flee to the countryside should the city come under attack. Government warnings against stockpiling petrol seem to have had little effect.

Queues outside grocery stores are another sign that Baghdad residents are preparing for the worst. Rationed items are becoming scarcer, and food bought on the open market is beyond the means of many Iraqis.

The collapse of Wednesday's talks between Mr James Baker, the US Secretary of State, and his Iraqi counterpart, Mr Tariq Aziz, sharpened the sense of foreboding in Baghdad, but Iraqis seem fatalistic about the drift to war.

"Yesterday the news was better, today it is bad, maybe tomorrow it will be better again," said a young Iraqi medical student, who is exempted from war service because of his studies.

But despite lingering hopes of peace, the message appears to be getting through that war is more than a distant possibility. If nothing else, the sober words of Mr Aziz in Geneva will have served to emphasise the point.

"We have been getting ready for war since August 2," he told reporters. "We are brave people who have been mistreated."

President Saddam Hussein's threats to confront the US and make US troops "swim in their own blood" further diminished hopes of war being averted.

As if to emphasise the mood into which the leadership in Iraq has fallen, he declared: "We are not the type that bows to threats, and you will see the trap that America will fall into."

Western officials who had been maintaining there was a significant difference between Iraqi propaganda and the regime's private position are now not so sure. They wonder if the two strands are not merging in the collective will of the leadership, and more especially in the mind of one man: Saddam Hussein.

Some observers have compared the mood in Baghdad with that which prevailed in Hanoi at the time of the Vietnam war. Defiance mixed with bravado in the full glare of world attention is a heady brew, and it is being reinforced by the presence in the Iraqi capital of militants of various hues – among them leaders of the Palestine Liberation Organisation who probably believe now that they have little to lose – and who almost seem to be willing a confrontation with "imperialist America".

The call this week by Sheikh Asad al-Tamimi, leader of the emergent Islamic Jihad, a guerrilla organisation in Jordan, for Saddam Hussein to be declared Caliph or supreme ruler of the Arab world, harking back to Baghdad-based caliphs of the eighth and ninth centuries, is an example of the prevailing mood.

In the meantime Iraq's war preparations proceed, though there is little overt sign in the Iraqi capital itself of the country being placed on a war footing, apart from increased activity around anti-aircraft gun sites.

Masking tape has not yet begun appearing on windows as during Iranian missile attacks during the Gulf war.

While there are plenty of men in uniform on the streets – there always are in Baghdad – they do not predominate. But Mr Aziz was not bluffing when he said that Iraq had been "getting ready for war" since August 2. All indications are that the Iraqis have been assiduously preparing themselves, although western military strategists believe the country is poorly equipped to counter air attacks.

This week, the Iraqi press reported that 2,237km of roads had been built in the "operating theatre".

The minister responsible said the work had been completed in 140 days, and included additional bridges to ferry supplies into the southern sector. One of Iraq's fears must be that allied control of the air will sever its connections with its forces in and around Kuwait.

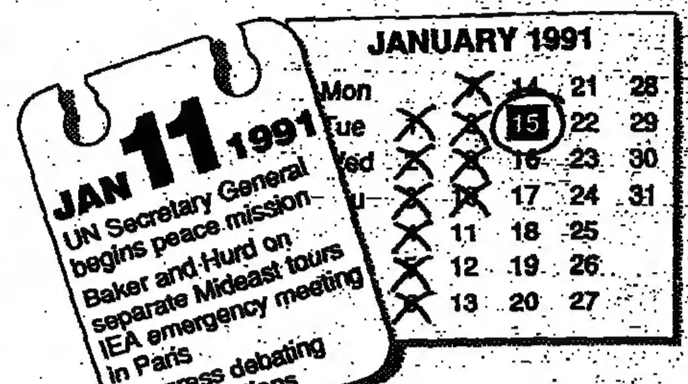
Iraq has also announced the acquisition of more sophisticated weaponry such as anti-aircraft missiles seized from Kuwait and a new "Awacs" radar surveillance aircraft described by local propaganda as "the unsleeping eye that guards our sky".

Iraq has been mobilising additional forces to boost its one million-strong military, more than 600,000 of whom are reported to be in and around Kuwait. The age for conscription has been cut by a year to 17 and all reservists are being called up.

It seems that, as was the case with the eight-year Gulf war, Baghdad is putting its faith in fighting a defensive war and, increasingly, judging by Saddam's statements, in God.

The Iraqi leader, who heads a hitherto determinedly secular party, is speaking more and more in religious terms, claiming God is on Iraq's side. While this has pleased Islamic militants, it is not clear that it has brought much joy to Iraqi military professionals who must be watching with growing apprehension the build-up of forces against Iraq.

But Saddam seems determined to maintain a defiant posture at all costs and to claim that Iraq has the capability to withstand anything the allied forces can throw at it.



On a visit to Kuwait earlier this month – his third reported visit since August 2 – he told his generals: "Let them mass whatever number they can because God will protect us from evil and save Iraq."

Tony Walker

Washington coming round to an acceptance of war

HOPE has not yet been abandoned for a peaceful solution to the Gulf crisis, but US administration officials and congressmen are coming round to accepting some form of military action over the next month.

The roller-coaster nature of the Baker/Aziz talks in Geneva – hopes raised by their unexpected length and then dashed by the subsequent press conferences – has added to the sense of uneasy gloom.

However, while saying he was "discouraged," President George Bush has been careful not to say that diplomatic efforts have yet failed. In fact, he cannot publicly move onto a war footing until after Congress votes over the weekend, probably to approve his Gulf policy.

Direct US/Iraqi contacts may have ended, but the US still sees scope for intermediaries, notably Mr Javier Pérez de Cuéllar, the UN Secretary-General, but also possibly the Algerians and the French, to try to convince President Saddam Hussein of the seriousness of the international coalition's intentions and willingness to use force.

The possibility of some third party other than the US being able to produce a last-minute solution, such as a United Nations transitional force in Kuwait, is not completely ruled out in Washington. Even a promise to withdraw partially might force a pause. But even such a limited concession is seen as a long shot after the Geneva talks.

President Bush does not want to shut down any diplomatic initiative until after the January 15 deadline, not only to give third parties a final chance, but also for domestic reasons, in being seen "to go the extra mile for peace".

Opinion polls show that, while the American public is divided on the use of force, support for Mr Bush is rising. It is the same in Congress, where the failure of the Geneva talks, and the refusal of the Iraqis to accept Mr Bush's letter, has undoubtedly strengthened Mr Bush's hand.

Even those who favour persisting with sanctions rather than immediate military action – such as Democratic Senator Sam Nunn and House Speaker Tom Foley – have been careful to play down their differences with Mr Bush.

Sen Nunn yesterday wrote in the Washington Post that President Saddam Hussein should not misread the congressional debate, however impassioned it may be. "If war occurs, the constitutional and policy debates will be suspended, and Congress will provide the American troops whatever they need to prevail. President Bush, Congress and the American people are united that you must leave Kuwait. We differ on whether these goals can best be accomplished by administering pain slowly with the economic blockade or by dishing it out in large doses with military power. Either way – you lose."

Mr Nunn's voice is that of a careful sceptic – and a possible Democratic presidential candidate next year – but not of the leader of an anti-war crusade. The number of outright opponents of war is, at least initially, limited.

In a sense, President Bush has always had most of the key political cards in his hand. His decision two months ago virtually to double the US forces in the Gulf created a momentum towards resolution of the crisis early this year. At that stage, the administration started to argue that sanctions alone would probably not be sufficient to force Iraq out of Kuwait. While some Democrats such as Sen Nunn objected at the time, Congress did not act and it may now in practice be too late.

Peter Riddell

Kuwaiti children play accordions while being taught to sing the Iraqi national anthem at a school in Kuwait City

Israelis fear Palestinians in Gaza may back Iraq

ISRAEL'S worries about the security and military repercussions of war in the Gulf form a complex equation that embraces concerns about reactions in the occupied territories, Jordan and Syria as well as the oft-threatened Iraqi strike.

Israeli ministers have repeatedly promised a massive counter-strike if Iraq carries out its threat to attack, reiterated by Mr Tariq Aziz, the Iraqi Foreign Minister, in Geneva on Wednesday. However, such a response would have to take into account potentially dangerous reactions in neighbouring Arab territories.

Even if an Israeli-Iraqi armed clash does not materialise, war in the Gulf could still affect Israel's security.

The area of tension nearest at hand is in the occupied West Bank and Gaza Strip where Palestinian frustration at the lack of political progress has left pro-Iraqi sentiment running high.

In the event of war, the 1.5m occupied Palestinians would almost certainly be placed under rigid curfew.

Military officials make no secret of their intention to be ruthless should local Palestinians try to back Iraq.

Jordan poses a more complicated scenario. The most obvious route for any Israeli counter-attack on Iraq is through Jordanian airspace.

This might provoke defensive military action by Jordan where the heavily Palestinian population is also staunchly pro-Iraqi.

Mr Moshe Arens, Israel's defence minister, said on Wednesday that an Israeli strike on Iraq would not necessarily be routed through Jordan. He declined to say how this could be avoided without violating another Arab airspace, but this remark reflected Israeli awareness that provocation of conflict with Jordan would achieve exactly what Mr Saddam wants – to twist the Gulf conflict into an Arab-Israeli conflict.

The Jordanians have already appealed to Syria to come to their aid in the event of an Israeli attack. Israel is certainly extremely wary of the danger of drawing Syria into a fight. However, the Israelis believe that neither Syria, Saudi Arabia nor Egypt would pull back from their commitment to the US-led alliance as a result of an Israeli-Iraqi clash initiated by Baghdad.

But tension between Israel and Jordan is likely to be acute even if there is no Israeli-Iraqi clash. Israel fears that war-induced turmoil might unseat King Hussein, replacing him with a radical regime that would seek to stir up more violence in the occupied territories.

In that case, the temptation for Israel to advance across the Jordan River to remove the threat to the border might be great.

Hugh Carnegy

Israeli timebomb among the Arab allies

"YES, absolutely yes," said Mr Tariq Aziz, the Iraqi foreign minister, when he was asked in Geneva on Wednesday if Iraq would attack Israel in the event of war in the Gulf.

His enthusiastic response was no more than a restatement of existing Iraqi policy, but the threat is causing profound concern in Israel and among the members of the multinational alliance in the Gulf as the danger of war increases.

Attack the worst enemy of the Arabs, President Saddam Hussein reasons, and America's Arab allies from outside the Gulf will immediately forget the Iraqi invasion of Kuwait and side with Baghdad against Israel and its paymasters in Washington.

Syria is probably the most vulnerable member of the multinational force to this Iraqi ploy: Jordanian officials even say that Syria – as well as Iraq – has promised to help if Israel invades Jordan.

Many ordinary Syrians, living under the harsh rule of President Hafez al-Assad, are privately sympathetic to his bitter foe – Mr Saddam – the time-honoured assumption that my enemy's enemy must be my friend.

The Syrian regime has taken the Saudi shilling for the tanks and soldiers it has sent to the front, but is acutely aware of the political dangers of too close an association with the Americans and has tried to distance itself from Washington. At the same time its security forces have suppressed pro-Iraqi demonstrations by Syrians and Palestinians.

In Egypt, by contrast, there has been widespread popular support for Mr Mubarak's policies in the Gulf and for his decision to commit 30,000 men to the alliance, although the anti-Iraq rage of the early days of the crisis has subsided.

President Saddam committed a grave error by allowing the mistreatment of Egyptian migrant labourers in Iraq before the crisis, and by making a false promise to Mr Mubarak that he would not invade Kuwait.

The support of Egypt is crucial for the credibility of the west in the Arab world, and even Egypt – despite the fact that it has diplomatic relations with Israel – would be put in a dilemma by Israeli involvement in any conflict.

Mr Mubarak was quoted as saying this week that he "would not agree to any Israeli intervention in any circumstances. We will immediately change our position to the opposite because we will never permit that."

So far President Saddam has played the Israeli card and his dubious Islamic credentials to the full. The alliance faces the possibility of public outrage from north Africa to Pakistan for preparing to attack a Moslem third world country.

The threatened Iraqi attack on Israel, however, may be a bluff.

With its inaccurate missiles, Iraq could probably inflict only minimal damage on Israel. Arab pride would be dented if the Israelis merely shrugged their shoulders and did nothing (as the US probably wants).

If the Israelis did react, Iraq would risk devastating retaliation and would have opened a second front to the west against a powerful and unpredictable enemy armed with nuclear weapons.

Victor Mallet and Max Rodenbeck

Jordan dismayed by threat of war between Iraq and Israel

JORDAN, which followed with dismay the deadlock at this week's US-Iraq talks in Geneva, fears that it will be squeezed in a confrontation between Israel and Iraq.

Baghdad has threatened to strike against Israel if the US-led multinational alliance attacks Iraq in an effort to drive Iraqi forces out of Kuwait.

Mr Mudar Badran, the Jordanian prime minister, said Jordan would consider any Israeli incursion through Jordanian territory to attack Iraq as a hostile act against the kingdom.

Jordan, he said, would seek Iraqi, Syrian and Egyptian help to fend off any Israeli offensive, and the US-led coalition would crumble if Israel became involved.

Jordanians were shocked by the failure of the talks between Mr James Baker, the US secretary of state, and Mr Tariq Aziz, the Iraqi foreign minister – the first top-level US-Iraq meeting since the Iraqi invasion of Kuwait in August – to make any progress.

But although Iraq is widely blamed in the west for refusing to withdraw from Kuwait, Mr Aziz made a strong impression on many Jordanians. They said they were proud of his defiance of what are seen here as US double standards and "American arrogance". Mr Aziz was described as endorsing "a dignified stance".

Jordanians were glued to their television sets on Wednesday night watching the two press conferences of Mr Aziz and Mr Baker, which were broadcast in full on Jordan's television.

If anything the Geneva talks have increased feelings of anti-Americanism and promoted a surge of pro-Iraqi feelings among Jordanians. A mass rally in support of Iraq is planned for Monday.

Over the last two months, the initial overwhelming popular support for Baghdad was tempered by accounts of Iraqi brutality in Kuwait, and pressure for an Iraqi withdrawal seemed to be increasing, although popular sentiment remained opposed to a US-led military intervention and to the destruction of Iraqi military power.

However, recent American statements – especially its rejection of linkage between the Gulf crisis and a solution to the Israeli Arab conflict – have fuelled strong hostility against western policy towards the Middle East.

One US-educated Jordanian, a former senior official, said: "I always thought that I was pro-American. Now I am very disillusioned that the US has been preaching morality and is insisting on pursuing double standards in the Middle East."

There are no signs of panic but some Jordanians – mostly from the élite – are trying to leave and all flights leaving Amman until January 15 are said to be fully booked.

Jordanians have started hoarding food and medicines in case they become difficult to find.

The army and the government-run public services are on alert and an atmosphere of apprehension prevails in the country.

Some Jordanians, including officials, are still hoping for a last-minute breakthrough in the Gulf, but many are bitter and believe that relations between Jordan and the west may never be the same again.

Lamis Andoni

Moscow asks Arafat to plead with Saddam

A TOP Soviet official met Mr Yassir Arafat, chairman of the Palestine Liberation Organisation, in Tunis yesterday, to urge him to use his influence with President Saddam Hussein to reach a peaceful settlement in the Gulf crisis.

The latest Soviet attempt coincided with a new call from Moscow for "the most vigorous political and diplomatic efforts" to head off a military conflict in the five days remaining before the UN deadline expires for Iraq's retreat from Kuwait.

However, the Soviet Union is still maintaining a very strict adherence to every aspect of UN resolutions on the Gulf, insisting on complete Iraqi withdrawal, maintenance of January 15 as the deadline, no linkage with the Arab-Israeli conflict, and an acceptance that force may legitimately be used after the deadline expires.

Mr Anatoly Filev, head of the Soviet Foreign Ministry's Middle East and North Africa department, stressed to Mr Arafat "the great importance of opportunities, available to Palestinians, to influence positively the position of the Iraqi leadership," according to a Foreign Ministry spokesman in Moscow.

The move is the latest Soviet attempt to bring the sides together. On Tuesday, the Soviet ambassador in Baghdad delivered a message from the Soviet leadership "aimed at promoting an atmosphere conducive to a political settlement" at the Geneva talks between Mr James Baker and Mr Tariq Aziz, said Mr Vitaly Churkin, the Soviet spokesman.

He expressed regret at the failure of the talks.

Quentin Peel

US retreat on Mid-East conference offers best hope of peace

THE failure of the US and Iraq to find a solution to the Gulf crisis in Geneva on Wednesday has undoubtedly increased the likelihood of war between Baghdad and the international coalition facing it. But in spite of all the harsh words pronounced Mr James Baker, the US Secretary of State, and Mr Tariq Aziz, his Iraqi opposite number, an armed conflict is still not a foregone conclusion.

Mr Baker said as much before leaving Geneva yesterday for Saudi Arabia and several other frontline allies of the US who have called on Iraq to evacuate Kuwait in line with 12 United Nations Security Council resolutions.

"I continue to believe that peace is possible. We certainly continue to strongly prefer a peaceful and political solution," Mr Baker said. Similar sentiments were voiced by Mr Barzan al-Takriti, President Saddam Hussein's influential half-brother, who flanked Mr Aziz at the Geneva talks. "The doors are still open to initiatives," he said.

The initiative which appears to have the best chance of success is that of Mr Javier Perez de Cuellar, the UN Secretary-General, if only because he has been welcomed as a mediator by both sides.

Perez de Cuellar: welcomed as mediator by both sides

For the moment at least, the efforts by the European Community to arrange a meeting with Mr Aziz in Algiers have foundered, following the Iraqi foreign minister's refusal to meet an EC ministerial delegation anywhere else but in Baghdad.

Mr Perez de Cuellar plans to fly to Baghdad on Friday, after a stop-over in Geneva where he is due to meet a ministerial delegation from the European Community.

It is not clear at the moment what more the UN Secretary-General can do than to repeat the need for Iraq to respect the UN resolutions calling upon it to withdraw from Kuwait. The hope, however slim, is that the Iraqis will be more willing at this late hour to make the kind of concessions to Mr Perez de Cuellar that they have refused to make to Mr Baker, albeit probably on conditions which have so far proved unacceptable to the US.

However, as the January 15 deadline, after which the international community has been authorised by the UN to use force to dislodge Iraq from Kuwait, looms closer, and the full consequences of a Middle East war are brought home to the American people, it is not impossible that Washington, too, might be prepared to make a move.

France, backed by the West Germans, has no doubts what the US should do, though President François Mitterrand has made it absolutely clear that an Iraqi withdrawal from Kuwait is a sine qua non of any settlement.

Mr Jean-Pierre Chevènement, the French Defence Minister, echoing a proposal made by President Mitterrand at the UN General Assembly last September, said yesterday that the US should make "a very small gesture" to Iraq by agreeing to hold an international conference on the Middle East, particularly to deal with the Palestinian problem.

Such linkage has been categorically refused by Washington so far since, in the words of Mr Baker, it would be tantamount to "rewarding an aggressor." But an agreement on these lines now looks to be the only way in which a bloody war can be averted.

What remains unclear, however, is whether, even if the US were prepared to subscribe to a deal on these lines, the Iraqis would agree to quit Kuwait, which President Saddam Hussein certainly did not annex to further the Palestinian cause. Mr Baker and Mr Aziz gave no more than a few vague hints that such a deal was discussed at their Geneva talks.

After saying at first that Mr Aziz had not given any indication that Iraq might withdraw from Kuwait, Mr Baker finally admitted that the Iraqi Foreign Minister had hinted at the possibility of a pull-out if there was linkage with international efforts to reach a broader Middle East settlement.

"I don't think he said that explicitly. I think, perhaps, it was implicit in his comments," the US Secretary of State said after the meeting. Faced with the same question, Mr Aziz gave a similarly ambiguous reply. "I did not put it that way," he said. "I told Baker that if you are ready to respect and implement international legality, the principles of justice and fairness as far as all the issues in the region are concerned, you will find us very co-operative."

A typical Iraqi way of fudging the real issue? No doubt. But it is probable that some substance is lurking behind this circumlocutory formulation. Having annexed Kuwait for purely material and imperial motives, Baghdad may now be looking for a way to back down while saving face. A way to do so would be to earn the gratitude and respect of the Arab world by obtaining concrete concessions to further the Palestinian cause through the organisation of a Middle East peace conference.

That is the difficult path which Mr Perez de Cuellar will have to explore. He himself said yesterday: "At some time, you know, this conference has to take place."

The UN Secretary-General brings to his task the moral authority of his office and he may also be helped by the fact that the "end game" is now taking place in the Gulf crisis, when concessions are traditionally made by protagonists in a conflict or negotiation. At best, however, his chances of success must still be rated as very slim.

Robert Mauthner

The Financial Times (Europe) Ltd. Published by the Financial Times (Europe) Ltd., Frankfurt Branch, (Guiollettstrasse 54, 6000 Frankfurt-am-Main 1; Telephone 069-75980; Fax 069-722677; Telex 416193 represented by E. Hugo, Frankfurt/Main, and, as members of the Board of Directors, R.A.F. McClean, G.T.S. Damer, A.C. Miller, D.E.P. Palmer, London. Printer: Frankfurter Societaets-Druckerei-GmbH, Frankfurt/Main. Responsible editor: Richard Lambert, Financial Times, Number One Southwark Bridge, London SE1 9HL. The Financial Times Ltd. 1991.

Registered office: Number One, Southwark Bridge, London SE1 9HL. Company incorporated under the laws of England and Wales. Chairman: D.E.P. Palmer. Main shareholders: The Financial Times Limited, The Financial News Limited. Publishing director: B. Hughes, 168 Rue de Rivoli, 75044 Paris Cedex 01. Tel: (01) 4297 0621; Fax: (01) 4297 0629. Editor: Richard Lambert. Printer: SA Nord Eclair, 15/21 Rue de Caire, 59100 Roubaix Cedex 1. ISSN: ISSN 1148-2753. Commission Paritaire No 67808D.

Financial Times (Scandinavia) Ostergade 44, DK-1100 Copenhagen-K, Denmark. Telephone (33) 13 44 41. Fax (33) 935335.

Western families flee as deadline looms

By Richard Donkin and Neil Buckley

FAMILIES of western staff working for companies in the Gulf have begun leaving on scheduled flights before the January 15 deadline imposed by the United Nations on Iraq to get out of Kuwait.

Some executives, determined to stay in Saudi Arabia as long as they dare, have moved their families to Jeddah on the Red Sea coast but others appear to be ignoring embassy advice to evacuate immediate family.

Mr John Pratt, manager of British Airways in Riyadh, said: "Women and children have been queueing outside the British Embassy collecting their gas masks which indicates that many have decided to stay. I think the embassy advice has had a mixed response because most people don't see a tremendous amount of danger."

The British School in Riyadh which normally has about 950 children aged between four and 14 saw its numbers dwindle to 400 after the initial invasion of Kuwait in August. Mr Chris Gorski, the headmaster, said numbers had crept back to about 750 before Christmas but were back to 400 with expectations that only 230 children would be left next week.

Children, he said, had been issued with respirators and the school had was equipped with secure rooms containing emergency water and food supplies.

Mr Roland Dumas, the French foreign minister, yesterday advised the 30,000 French citizens living in the Gulf region to leave temporarily if possible. An Air France Airbus left Paris for Tel Aviv in the morning, to collect French citizens in Israel who had been unable to find passage home on regular airlines. A Boeing 747 was also due to touch down at Gulf capitals.

One observer in Riyadh said: "People are a little bit more nervous now but the most nervous ones left after the initial invasion. A lot of people have taken a long Christmas vacation, postponing their return until late January".

British Airways has laid on three extra flights from Riyadh on top of the two weekly scheduled flights and is running two extra flights from Dhahran.

According to a Saudia airline official, only BA, Turkish Airlines, Air India and Philippine Airlines were now flying into and out of Riyadh. Others had pulled out because of rising insurance premiums.

Mr David Langdown, technical manager of General Enterprise and Trading Corporation, a Saudi Arabian company based in Riyadh, and the only Briton on the staff, said most families would have left Saudi Arabia by January 15.

Mr Mike Vincent, manager, personnel and administration, Cable and Wireless (Saudi Arabia), said his company had advised employees to send their families home, and about 80 per cent had done so.

About 14,000 respirators were being distributed to British expatriates in Riyadh, Eastern Province and Tabuk, a oil company executive said.

The distribution of information to company staff in the Gulf appears to have been mixed. A company official at Aramco, the largest oil company in Saudi Arabia, said that he knew of Third World nationals working for some companies who had been given very little information about what to to do in a gas attack.

At Aramco, he said, staff had labels to stick on the outside of their windows. The labels changed colours in reaction to certain chemicals. "I have a cat myself and I'm keeping it outside. I reckon it will be a better indicator. We also have quite a few exotic birds here. The moment they start falling out of the trees will be the time to put on my gas mask."

A trader wearing a "Free Kuwait" badge on the floor of the London Stock Exchange yesterday reacts to the market fall

Diplomats rush to quit ghost town

By Mark Nicholson

BAGHDAD is starting to resemble a diplomatic ghost-town as western governments rush to bring home their representatives before Tuesday's United Nations deadline, while insisting that their embassies remain technically "open".

Wednesday's diplomatic impasse in Geneva has spurred several governments into putting into urgent effect contingency plans for evacuating officials from Baghdad as the danger of war looms.

European Community officials met yesterday to discuss a joint decision to evacuate their embassies, according to an Italian foreign ministry spokesman in Rome. Most European missions in the capital were waiting last night for instructions.

Some European countries, however, pre-empted a joint decision. Germany was the first to abandon its embassy, bringing home its remaining officials on Monday.

Italy and Belgium followed suit yesterday, announcing that their remaining diplomats would leave the capital by Tuesday.

Mr Harold Walker, Britain's ambassador to Iraq, and four of his remaining five staff left the UK embassy at dawn yesterday to drive 700 miles across the desert to safety in Jordan.

Mr Christopher Segar, the consul-general, stayed behind to monitor a court hearing involving a Briton, but is expected to leave once the hearing ends.

Australia, Japan and the Netherlands have announced plans to recall their diplomats in the next few days.

In each case, and even if all staff are to leave, governments have insisted that their embassies will remain technically open, since to call their missions "closed" would imply a break in diplomatic relations.

The US state department said yesterday its six remaining diplomats in Baghdad would return home tomorrow, after Mr James Baker, US secretary of state, won assurances in Geneva that they would not be hindered from leaving.

US missions in Algeria, Tunisia and Morocco, meanwhile, were also urged to send home non-essential staff and dependents because of security risks stemming from the Gulf crisis. The state department has already issued such advice to US embassies in Jordan, Sudan and Pakistan.

In Israel, UN units yesterday evacuated 400 staff and their families to Cyprus.

Aramco makes plans to move out staff

By Deborah Hargreaves and Richard Donkin

ARAMCO, Saudi Arabia's largest producer of crude oil, has adopted emergency evacuation procedures for employees caught in the firing line of a Gulf war. These map out in detail different layers of urgency which can be invoked as the severity of the situation builds.

Out of 48,000 staff, Aramco employs 14,000 foreigners in Saudi Arabia, 2,700 of them from the US and Canada. In recent years it has sought to reduce its dependence on foreigners by training local staff and now almost all oilfield operating positions are held by Saudis.

The company has plans to evacuate local people to Bahrain or the United Arab Emirates should they be threatened by the conflict.

"The evacuation will be based on who is most essential for running the plant," an official in the US said. "The last people to leave will be those who control the operation of the refineries."

A manager in Dhahran said that staff working out in the open in essential oil-producing areas had been issued with nuclear, biological and chemical (NBC) protection suits. All other staff and dependents had been given respirators.

Aramco, which produces almost all of Saudi Arabia's crude oil, has provided for evacuation by sea from one of its most vulnerable operations at Safaniya on the north-east coast. It has set up tents in Dhahran, the company's headquarters, to house employees evacuated from the north.

The company also has plans for an overland evacuation to a safer area in the southern Gulf.

Aramco said some western workers had resigned, but these had been in the "tens rather than the hundreds". The company says many of its helicopter pilots are US nationals, and foreign personnel are also critical in technical development such as mapping out oil reservoirs on computer, but are not essential to the day-to-day running of the oilfields.

All Aramco workers in Saudi Arabia were given a 15 per cent pay rise last year which the company says officially is to help defray the cost of keeping their families outside Saudi Arabia.

Some 1,500 dependents of Aramco foreign workers were evacuated in August and the company is preparing to receive up to 3,000 more in Houston and the Netherlands if war starts.

Other US oil companies such as Chevron and Exxon, which operate joint ventures in Saudi Arabia, have already moved out unnecessary staff and dependents, and are co-ordinating evacuation procedures for foreign personnel. Some companies are still recruiting westerners prepared to work in the Gulf following some resignations.

UK cabinet preparing for war

By John Mason and Ralph Atkins

BRITISH cabinet ministers yesterday intensified preparations for a possible war in the Gulf as Mr Douglas Hurd, foreign secretary, said sanctions were not working.

While ministers spent more than an hour discussing the Gulf crisis, including terrorist threats, Labour distanced itself from the government, saying sanctions had to be given more time.

However, both the government and Labour party welcomed the prospect of a peace initiative by Mr Javier Pérez de Cuéllar, the UN secretary-general. Mr Neil Kinnock, opposition leader, pledged his party's support for British troops if they are sent into action.

The prime minister, Mr John Major, will open a Commons debate on the crisis on Tuesday, soon after MPs return from their Christmas holiday, amid a pessimistic atmosphere in Westminster and Whitehall after Wednesday's Geneva summit. He spoke to US President George Bush for 20 minutes yesterday about the summit and his Gulf trip.

Mr Major briefed the cabinet on his four-day trip to the Gulf, saying he was impressed with the morale of British forces stationed in Saudi Arabia.

Members of Labour's shadow cabinet, which met for day-long talks yesterday, deny any widespread internal rift but in previous Commons debates around 40 MPs have defied the party line. Liberal Democrat leader Mr Paddy Ashdown said chances of reaching a peaceful settlement stayed slim.

Lloyd's underwriter warns of big rise in airline premiums

By David Waller

A LEADING marine underwriter at Lloyd's of London warned yesterday that those airlines exposed to the threat of Iraq-inspired terrorism would be the next to face big increases in premiums.

Since the August invasion there have been steep rises in insurance costs for airlines either based in the Middle East or those which fly there. But the new threat could hit airlines wherever they operated, the underwriter said.

Mr Stephen Merrett, chairman of the Lloyd's Underwriters Association, said underwriters would have to satisfy themselves that the airlines had taken sensible measures to protect aircraft and passengers.

"We are concerned about the risk of terrorist damage in quite separate parts of the world [from the Gulf]," Mr Merrett said. "If the airlines are unresponsive, individual underwriters will either charge a higher rate or not quote a rate at all."

Mr Merrett said that airlines should refuse to operate from airports which did not have satisfactory security arrangements.

Other underwriters argued that it was "almost inevitable" that the incidence of terrorism would follow an outbreak of war next week, whether or not that war ended in a few days or not.

Mr Alan Lord, Lloyd's chief executive, said that if war broke out, the market was ready to open over a weekend to allow clients to review their insurance cover. This would be first time ever that the market has opened on a Sunday.

Paul Betts, Aerospace Correspondent, adds: Increases in insurance cover coupled with the expectations of even higher jet fuel prices in the event of a Gulf war are putting enormous pressure on airline operations and balance sheets.

Many airlines have already cancelled flights to the Middle East because of soaring war risk cover. The International Air Transport Association, which groups 200 airlines, has also said that insurance brokers had advised airlines they would introduce an exclusion zone for commercial flights in the troubled region on or before the January 15 deadline.

Fahd seeks peacekeeping force

By Philip Stephens in Riyadh

KING FAHD of Saudi Arabia has told western leaders that an international peacekeeping force must be established in the region once Iraq is forced to withdraw from Kuwait.

The Saudi leader, however, has ruled out the prospect of a permanent western military presence in his country. Instead he has suggested that a pan-Arab force in Saudi Arabia could be supplemented by the stationing of US and other western forces in Kuwait.

His views emerged yesterday amid growing expectation here that the deadlock in the talks with Mr James Baker, the US secretary of state, and Mr Tariq Aziz, the Iraqi foreign minister, in Geneva has made war inevitable.

The Saudi leader had also voiced privately his fears that Iraq would remain a permanent threat to the stability of the Gulf as long as President Saddam Hussein remained in power.

The diplomats said that their governments had been left with the impression that King Fahd hoped that a military defeat in Kuwait would fatally undermine the Iraqi leader's authority.

He had indicated, however, that domestic and pan-Arab political sensitivities would preclude the establishment of permanent US bases in Saudi Arabia even if Mr Saddam remained in power after his expulsion from Kuwait.

The gloomy prognosis of the Saudi leader about the prospect of an 11th-hour peace agreement was echoed yesterday by western military commanders. As US and British troops continued to move northwards towards the Kuwaiti border, there was speculation that hostilities might start within days of the passing of the January 15 deadline.

Senior British and US officers appear confident that their forces will be in a position to launch an attack next week.

MARKET REACTION

Nervousness about developments in the Middle East was apparent on world stock markets yesterday, although some traders registered mild optimism about a peaceful solution, writes Peter Marsh, Economics Correspondent.

Investors were generally cautious, unable to decide whether the lack of progress in Wednesday's talks in Geneva between Mr James Baker, US Secretary of State, and Mr Tariq Aziz, Iraq's Foreign Minister, made war more likely.

Hope was held out, however, that Saturday's visit to Baghdad by Mr Javier Pérez de Cuéllar, the UN Secretary General, might persuade Iraq to climb down.

Most bourses showed steadier nerves than had been apparent on Wall Street on Wednesday night, when the bleak news from Geneva sent the Dow Jones Industrial Average tumbling by 83 points between mid-session and the close.

Yesterday, the Dow reversed some of this fall. At mid-session it was quoted at 2,494.31, a gain of 24.01 on the day.

Wall Street had taken its cue from the Tokyo stock market, which early yesterday showed relative composure about the chances of a Middle East settlement. The Nikkei index closed at 23,047.38, up 78.09 or 0.34 per cent.

The Frankfurt stock exchange was up 0.6 per cent yesterday, while Paris, Amsterdam and Milan all edged lower by up to 3 per cent. In London, the FT-SE closed at 2,108.7, down 20.2.

On foreign exchange markets, the dollar settled down after the sharp rise on Wednesday after the Geneva talks ended.

War would kill thousands in Africa

By Julian Ozanne in Nairobi, William Keeling in Lagos, and Peter Montagnon in London

A LEADING aid official warned yesterday that if war in the Gulf halted or disrupted traffic through the Suez canal, the lives of millions of Ethiopians and Sudanese would be imperilled.

"The impact of any disruption to shipping through the Suez Canal and Red Sea on relief programmes to Sudan and Ethiopia at this critical time for deliveries of food would be devastating and would result in massive deaths of biblical proportions," said Mr Vincent O'Reilly, the Nairobi-based co-ordinator of the United Nations aid operations in Sudan.

Shipping officials in London said yesterday that Egypt would be unlikely to close the Suez Canal swiftly if war broke out because it would be reluctant to lose one of its main sources of revenue. However it might shut the waterway if it felt there was any danger from sabotage or mines.

Adding to the difficulties of dealing with the famine in the Horn of Africa could be the extra strain facing relief agencies of coping with a fresh flood of refugees, UK aid officials said yesterday.

According to some estimates, 2m people might try to flee the war zone. About 750,000 fled in August.

Relief agencies including the International Red Cross and the UN Commission for Refugees are preparing contingency plans for helping refugees. But they will almost certainly require funding by western governments, stretching the overall resources available.

One fear is that the uncertainty caused by the war may make some developing countries reluctant to sell food surpluses to relief agencies. Repercussions from the Gulf yesterday reached as far afield in Africa as Nigeria, the continent's most populous state.

In Lagos, the US embassy warned of "possible hostile acts" against its nationals in Nigeria, where Moslems make up nearly half of the 120m population.

President Ibrahim Babangida, himself a Moslem, has to take into account Nigeria's links with the west and the views of Nigerian Christians, while acknowledging pro-Iraqi sentiments in a Moslem community which includes extremists in its ranks.

Religious and political tensions are also increasing in Sudan, where Britain is considering withdrawing its diplomats and aid workers.

Security fears have been heightened by the release earlier this week of five Palestinians of the pro-Iraqi Abu Nidal faction, convicted for a 1988 hotel bombing which killed seven people including three British aid workers and their children.

There are also concerns about the possible disruption of international air traffic over Sudanese airspace in the event of war.

Western diplomats remained uncertain about the role of Sudan, which has a large coastline across the Red Sea from Saudi Arabia. Reports that Iraq has deployed 6-14 Scud surface-to-surface missile launchers in Sudan remain unconfirmed. Most western diplomats, however, doubt that Sudan will become involved in a Gulf war.

NEWS IN BRIEF

Kuwait planning for Iraqi withdrawal

THE KUWAITI government-in-exile has set up a high-level procurement and reconstruction team to buy supplies and assess infrastructural requirements in the event of an Iraqi withdrawal, writes David Owen.

The 40-strong team is composed of individuals from the principal public-service ministries and private authorities. Based in Washington, it is reporting direct to a ministerial-level committee in Saudi Arabia.

According to Mr Fawzi Hamad al-Sultan, a World Bank executive director with responsibilities for Kuwait and other Middle East countries, purchases of essential items that would be needed in the immediate aftermath of an Iraqi pull-out have already started.

War threat to east Europe

War in the Gulf will deepen the economic malaise of the industrialised world and deal a savage blow to the economies of eastern Europe and non-oil developing countries, according to Mr James Schlesinger, the former US defence secretary, writes Peter Norman, Economics Correspondent.

Mr Schlesinger, who has also headed the US Bureau of Budget and the Central Intelligence Agency, told a seminar he believed there was a 75 per cent chance of war. He saw no unequivocal winners, even if conflict proved be short-lived.

Israel may turn to IMF

Looming balance of payments difficulties caused by the Gulf crisis and the costs of financing a wave of Soviet Jewish immigration have prompted Israeli officials to consider borrowing from the International Monetary Fund for the first time in 15 years, writes Hugh Carnegy in Jerusalem.

The country is likely to have to borrow $20bn over the next several years.

'Ex-Iraqi oil minister arrested'

A Kurdish exile group said yesterday that Mr Issam Abdul-Rahim al-Chalabi, former Iraqi oil minister, was arrested on December 28 by Iraqi border guards as he tried to flee to Turkey, Reuter reports from Cairo.

The exiled Kurdistan Democratic Party (KDP) of Iraq said Mr Chalabi had been detained with members of his family near the Kurdish town of Zakho.

Bonn police raid Arabs' homes

Bonn police raided the homes of several Arabs and the country's main anti-terrorist force said yesterday it was taking seriously Iraq's threat to strike at targets in the West, Reuter reports from Bonn.

Emergency oil measures are agreed

By David Thomas, Resources Editor

EMERGENCY steps to cope with an oil shortage caused by a Gulf war have been agreed by the oil industry and UK government. The government has convened an emergency oil supply committee which could recommend rationing if the supply of petrol and other oil products deteriorates.

Gulf tension triggered petrol price rises yesterday. Texaco boosted prices 6.8p a gallon, bringing four-star leaded to 206.4p a gallon and unleaded to 192.7p. Texaco blamed rises in refined-products prices on the Rotterdam spot market.

Other oil companies could follow Texaco's lead within days. The government has convened the Oil Industry Emergency Committee, formed in the late 1940s but dormant between oil crises. The committee has representatives from the 14 leading UK oil companies and the government. It is chaired by Mr John Collins, chief executive of Shell UK; its director is Mr David Clayman, Esso UK managing director.

The committee will review plans to deal with an oil shortage, ultimately including rationing and speed limits to save petrol, especially if war disrupts supplies. But the government and oil industry are unlikely to favour rationing, as they believe oil supplies are adequate at present.

Rationing methods and other emergency steps are set out in a document known as the oil product allocation scheme. The government will aim to co-ordinate its response with other industrialised nations at International Energy Agency talks in Paris today.

French satellites map the world for profit

By William Dawkins in Paris

EVERY 26 days, each square inch of the earth's surface is scrutinised by the twin telescopes of Spot-2, a high resolution observation and picture-taking satellite owned by CNES, the French state space study centre.

Spot-Image, based in Toulouse and controlled by French government interests, was set up in 1982 to market, produce and distribute the pictures beamed down by the Spot series of satellites.

The thinking behind the launch of the first member of the Spot family, in February 1986, was to break the traditional dominance of US and Soviet military observation satellites. It had been strengthened by the arrival of the US Landsat civil satellite in 1972.

Spot prides itself on being able to produce photographs which can show details down to 10 metres in black and white or 20 metres in colour, as against the 30 metres offered by Landsat, which today remains Spot's main competitor.

The French CNES state space study centre is the biggest of Spot-Image's 18 shareholders, with a 34.5 per cent stake, and the sole owner of the satellites the company uses.

Until recently, Spot-Image has taken a strictly neutral view of its customers, happy to sell its pictures to anyone able to pay. That naturally changed with the outbreak of the Gulf conflict, since when it has vetted anyone buying photographs of the Middle East and says it has observed the embargo on trade with Iraq.

When a US newspaper revealed two months ago that the Iraqi secret services had illicitly obtained Spot pictures of the allied forces in the Gulf, the French company was not surprisingly taken aback. It insisted that it no longer sells to Iraqi customers.

Spot-Image's legitimate clients include the Pentagon, the Israeli military, the European Commission, which uses them for compiling agricultural data, and the World Bank. Spot photographs have been used by the French government to monitor the Chernobyl disaster and count Chinese missile launching stations and by the Norwegians to spot Soviet submarine bases.

CNES's first Spot-1 satellite, launched in February 1986 after a $500m development programme, reached the end of its useful life last year, when it was joined by Spot-2. A third is due for launch at the end of this year or early next, followed by a fourth in 1995. They are made by Matra, the French communications and electronics group, and launched by Ariane, the European rocket company.

After CNES, Matra is Spot-Image's second shareholder, with 23 per cent, followed by a consortium of other French state and private bodies, plus Swedish, Italian and Belgian state investors. Spot-Image has seen its revenues rise from just $5m in its first year in 1986, to an estimated $21m in 1990, at which rate the group estimates it should be covering its $30m running costs some time in the first half of this decade.

The largest single chunk of sales, around 30 per cent, are pictures for civilian and military map-making, where Spot pictures are used to check up on arms-cutting agreements. Agriculture is the second market, representing 20 per cent of sales, followed by geology, mining and oil exploration with 18 per cent, with the rest used for town planning, the press, and public works and other purposes.x

Recovery in Swedish economy forecast

By Robert Taylor in Stockholm

THE SWEDISH economy is expected to stage a strong export recovery next year, according to the 1991 budget. There should be a substantial fall in inflation but a rapid increase in unemployment.

Mr Allan Larsson, the finance minister, described his proposals for this year as "tough but responsible" and said Sweden was at a turning point, with better times ahead. There were no give-aways in the budget, even though a general election is only nine months away.

If wage increases cou'., be reduced rapidly, he said, Sweden's business downturn would be shortlived and a protracted unemployment crisis avoided as the inflation rate came into line with the country's main competitors.

Mr Larsson forecast improvements next year in industrial production and investment as well as private savings. This year's negative growth rate should be followed by a modest revival in 1992.

Fiscal policy would be tight for 1991-1992, he said, with SKr15bn (£1.4bn) worth of public spending cuts, in order achieve a balanced budget. His proposals suggest no new tax increases, but will do little to boost consumer demand.

Mr Larsson emphasised that Sweden's economic strategy must accord with the country's international economic integration, keeping its future membership of the European Community in mind.

The budget statement reaffirmed that there would be no change in the current fixed exchange rate policy to improve Sweden's competitiveness. It also insisted that "other ambitions and demands must be subordinated" to the conquest of inflation.

He stressed that the trade unions had to accept a two-year national wage restraint agreement, proposed by Sweden's independent pay mediation commission. Pressure will would be exerted on the white-collar unions which oppose such a the proposals over the next few weeks two-year wage restraint agreement to back the wage deal. Failure to curb wage increases would result in 50,000 lost jobs, said Mr Larsson, and would wreck his aim of bringing inflation down from 10 per cent to 2.5 per cent by 1992.

The budget says there can be "no general stimulus in demand" to stop any increase in registered unemployment, set to rise to 3.4 per cent in 1992 from the current 1.8 per cent.

Public spending must had to be cut as a proportion of Sweden's GDP gross domestic product "to make it possible to lower the tax burden in the longer run."

Several measures are to be introduced to create a more competitive market economy:

- Cheaper food with cuts in import tariffs and a shake-up in retail distribution.
- An investment of SKr20bn from public funds to stimulate business activity and a two-year Skr10bn programme to improve roads and railways.
- Reform of company law to make it easier for foreigners to acquire Swedish companies.
- Greater resources for education and training.
- Measures to increase the incentive to work.

There are also to be Skr15bn public spending cuts, mainly in the health service and housing.

Greece's small town lights lure Albanians

Refugees flee a life of manual labour for an uncertain future, writes Kerin Hope

Refugees from Albania queue for clothes and shoes at a reception area in Igoumenitsa

WHEN THE guard dogs at the Greek frontier post outside the village of Tsamantas start barking around midnight, the duty officer gets up to greet another group of Albanians who have tramped across a snow-covered mountainside looking for a better life in Greece.

"They appear out of the dark looking exhausted, shoes split, no overcoats ... the fit ones make it across in about eight hours but the stragglers are still coming in after dawn," he says. A dark line across the snow on a precipitous slope marks a path beaten out by several thousand refugees in the past two weeks.

According to Greek authorities, more than 5,000 Albanians have crossed the border into the north-western province of Epirus since Christmas. Most poured in after a rumour that Greece would close the border on January 1 swept through the southern villages. But up to 50 new arrivals are still turning up each night.

Border controls have reportedly slackened during the past year as Albania's communist government gradually relaxes the rigid isolationism of the past 40 years.

But the refugees said they preferred to trek high into the mountains to avoid Albanian frontier posts where guards are allowed to fire at will and barbed wire fences are better maintained.

The majority are farm workers in their early 20s from the ethnic Greek minority in southern Albania, known as north Epirus to the Greeks, who until recently maintained a territorial claim on the region. It was only three years ago that Greece and Albania ended the state of war left over from 1940 when Italy invaded Greece through north Epirus.

The North Epirots say they are fed up with manual labour on co-operative farms where the average monthly wage is 250 leks ($40) and living conditions are miserable.

"I'd never seen a toilet before, or a bath with taps for hot water. You couldn't buy soap in my village. We got water from a spring," said Mr Spiro Panto, 23.

The refugees also fear that as members of a minority, they may be the last to benefit from President Ramiz Alia's planned political and economic reforms.

Little information about the newly founded independent Democratic Party, which will run against the ruling Albanian Party of Labour in the February 10 election, seems to have filtered through to them.

Some, however, simply grew impatient with waiting for the Greek embassy in Tirana to issue their visas. The penalty for attempting to leave the country illegally, up to 20 years in jail, is no longer applied and, as the influence of the Sigurimi, the Albanian secret police, declines, villagers openly discuss the possibility of crossing into Greece.

Passports have been more readily available since a mass exodus was permitted of several thousand Albanians who sought asylum in western embassies in Tirana last July.

"We paid 300 leks each to buy a passport but the visa queue was so long we just gave up," said Mrs Katerina Koraka, who brought her three young sons across after her husband turned back with a leg injury.

Official Greek reluctance to issue more than a minimum of visas reflects increasing fears that the country might be overwhelmed by a wave of Albanians of ethnic Greek origin.

The Albanian government puts the officially recognised minority in the southern provinces at 50,000. But Greece has long claimed a figure of 300,000 throughout the country, all of whom would automatically be eligible for Greek citizenship the moment they crossed the border.

Greece has appealed to the North Epirots to stay at home, while facilities at hastily prepared reception centres around Epirus are clearly not intended to be too comfortable. Several hundred North Epirots were moved into tents at an army camp near Ioannina, the provincial capital.

Others were taken to temporary accommodation in cheap hotels at a seaside resort, or to makeshift dormitories in a village orphanage.

The influx of Albanians has prompted the Mr Constantine Mitsotakis, the Greek prime minister, to arrange a visit to Tirana this weekend, the first ever by a Greek premier. He hopes to encourage Greek investment in Albania and to discuss how the two halves of Epirus can develop regular contacts.

Most refugees brought almost nothing with them, apart from a handful of non-convertible leks. A few, however, came with pre-war gold sovereigns left over from the days when North Epirot merchants and landowners were reckoned among the most prosperous diaspora Greeks.

Hundreds have already hitchhiked south looking for relatives, or jobs on construction sites.

In Ioannina, others loiter outside video shops and car showrooms. "It's like a dream being here. We saw Greek television but the pictures didn't tell you what it would be like," said Mr Polychronos Zigas, who made his living in Albania as an itinerant accordion player.

Fiat to lay off Italian workers for a week

By Haig Simonian in Milan

FIAT, the Italian automotive and industrial group, is laying off more than half its Italian car workers for a week next month in response to lower European demand and a fall in its market share at home.

The lay-offs will affect 65,000 of the 117,000 Fiat Auto workers at all its car assembly plants in Italy, with the exception of one commercial vehicles site. The latest round of lay-offs, which will reduce output by 40,000 vehicles this year, follows four weeks of closures at five of the group's nine Italian car assembly plants in the last three months of 1990.

Mr Paolo Gasca, head of industrial relations, warned that more lay-offs might be necessary this year. News of the lay-offs comes after news this week of a 0.6 per cent decline in Italian car sales in 1990 after six successive years of rises.

Total registrations in 1990 were 2,348,172 units, against 2,362,462 in 1989. Meanwhile, the Fiat group's car market share, which includes Lancia, Alfa Romeo and Ferrari, fell sharply to 52.9 per cent against 57.8 per cent in 1989.

The decline in the Fiat group's position was particularly marked in November and December, when its share of the market slipped below 50 per cent. A Fiat official attributed the year-end fall partly to a decision by buyers to hold back until new or improved models in parts of the range were introduced.

Fiat has been particularly hit by the success of the new Ford Fiesta, largely at the expense of its Uno model, which is not due to be replaced until 1992. Ford raised its Italian sales by 59 per cent last year, giving it a 7.7 per cent market share.

Fiat unions expressed disappointment at the latest round of lay-offs, but were pleased there have been no compulsory redundancies.

- Olivetti, the Italian computer maker, should reach agreement with unions today on a programme of temporary lay-offs involving up to 3,500 workers, a senior government official said, Reuter reports from Rome. The accord would operate until the government takes a final decision on a labour ministry proposal for a programme of early retirement in certain industrial sectors which are being hurt by the international economic slowdown.

Union sources said the company had agreed that all those temporarily laid off, and who did not qualify for eventual early retirement in 1990, would be reinstated by June. Olivetti, whose first half 1990 pre-tax profit fell 41 per cent says the lay-offs are vital if it is to remain competitive.

Soviet rail network 'faulty'

THE SOVIET rail system is in a critical state, with as much faulty equipment as in 1945, at the end of the Second World War, according to a top Soviet railway operator, writes Quentin Peel in Moscow.

Tens of thousands of kilometres of track are in urgent need of replacement, and one thousand switches are worn out "beyond any regulative standards," Mr Nikolai Mitin, head of the department responsible for track maintenance, told Tass, the official Soviet news agency.

He said increasingly frequent accidents on the huge rail system, the most important element in the country's freight transportation system, were largely caused by deterioration of the tracks.

Disruption on the railways has caused chronic supply problems in every sector of the Soviet economy, including food supplies, coal shipments, and the transportation of minerals, iron and steel.

"People's lives depend on officials in state committees for planning, and material and technical supply, who for years have been ignoring our urgent requirements," he said. "It is they who bear the majority of responsibility for the technical condition of rail tracks, not frosts, rains, snowfalls or corrosion." He said wooden sleepers were in the shortest supply. Instead of 22m delivered last year, the railways only received 12m.

Heavy investment in the railways is one of the biggest requirements for any revitalisation of the Soviet economy, but the central and republican governments are unable to provide any of the needed capital.

French warming to UK ideas on Ecu

By William Dawkins in Paris

BRITAIN'S latest proposals on the hard Ecu were welcomed yesterday by Mr Pierre Bérégovoy, the French Finance Minister.

He said he understood that Britain was now prepared to countenance the adoption of a single European currency if member states and their electorates agreed. This was a step forward from its position that the use of a single currency should only be decided by the markets.

"That is a change which is not without significance," he said. Mr Bérégovoy also gave his implicit support to Britain's idea of a hard Ecu which was first floated by Mr John Major, UK Prime Minister, last June, when he was still Chancellor of the Exchequer.

The latest UK Treasury ideas on the hard Ecu, tabled earlier this week, envisage it being managed by a politically independent European Monetary Fund. It would be used in parallel with national currencies but could evolve into the single currency.

It would enable European businesses to cut transaction costs and also help in the effort against inflation.

The hard Ecu and the EMF – both of which could be introduced after 1994 – could provide "a basis for an agreement [on Emu] which meets both British concerns and also the aspirations of our Community partners," according to UK Chancellor Norman Lamont who presented the proposals.

"If we together make a hard Ecu which becomes a common currency used in Europe, that is a good thing. If, beyond that, it becomes the single currency of the European Community – which is France's objective – that would be even better," said Mr Bérégovoy.

Britain's latest sign of flexibility in the debate on economic and monetary union has also attracted a cautious welcome from German, Belgian and Dutch officials.

An EC working group of national experts is due to discuss the plan for the first time in Brussels on January 15.

Mr Bérégovoy was speaking just before meeting Mr Karl Otto Pöhl, the Bundesbank president, when the minister said he wanted to discuss the increase in the German public sector budget deficit caused by the costs of unification and what this meant for German monetary policy.

The French minister has made no secret of his fears that the Bundesbank is preparing to raise interest rates soon to counter inflationary pressures.

This would put pressure on France to follow just at a time when it wants to keep its own rates low to keep the recession in check.

However, French ministry officials refused to comment on the meeting beyond saying that it was friendly.

- The meeting of the finance ministers and central bank governors of the Group of Seven leading industrial countries in New York on January 20 and 21 is coming "just at the right moment," Mr Bérégovoy said.

The sharp market movements triggered by the worsening Gulf crisis heightened the importance of international co-operation to stabilise currency movements. He launched the idea of a G7 meeting two months ago, primarily with the aim of discussing how to stem the dollar's fall.

Soares on course for second term

By Patrick Blum in Lisbon

PORTUGUESE ELECTIONS

Mario Soares

SHORT OF a last-minute upset, Mr Mario Soares, Portugal's president, is expected to be returned with a handsome majority for another five years in Sunday's election.

Yet neither he, nor his main opponents, comes out of the election campaign looking particularly clean, after two weeks of mud-slinging.

Mr Soares still has a commanding lead and is likely to win without the need for a second ballot. According to an opinion poll by Publico, a respected daily newspaper, his support stood at 62.5 per cent. None the less, this compares with more than 70 per cent before the campaign.

Publico gave his nearest opponent, Mr Basilio Horta, supported by the small right-wing CDS party, 17.2 per cent, Mr Carlos Carvalhas of the hard-line Communist party (PCP) 9.6 per cent, and Mr Carlos Marques, representing a mixed bag of far-left radicals and environmentalists, just 1.7 per cent.

About 9 per cent of those polled were still undecided, and abstentions could be close to 40 per cent. This high level reflects both popular weariness with a contest whose outcome looks predictable, and the nature of the campaign itself, which has been short on ideas and strong on insults. Much of the latter has come from Mr Horta, whose staunchly right-wing views hark back to the perceived glories and certainties of the former regime and Portugal's colonial past.

In an effort to build momentum for his campaign, Mr Horta has expended most of his energies on increasingly strident personal attacks on Mr Soares. He has accused the president of lying, called for his resignation, and hinted at corruption. to Portugal.

His attempt to focus on Mr Soares's Socialist background has won him some broader support from the ranks of the ruling right-of-centre Social Democratic party (PSD), but he remains dependent on support from a minority, albeit a sizeable one, from further right in the political spectrum.

Mr Soares, who skilfully shed his Socialist party ties after his election in 1986 to cultivate a non-partisan fatherly image as president of all Portuguese, has brushed off most of the criticism. He has run a polished if uninspiring campaign whose main themes have been unity and stability.

Of the other candidates, Mr Carvalhas, a Communist member of the European Parliament, has kept above the fray and won more support than expected for a campaign that has been straightforward and free of aggressive rhetoric. He will not win on Sunday, but he may draw disenchanted voters from Mr Soares.

Mr Anibal Cavaco Silva, the prime minister and PSD leader, is unlikely to be displeased with the outcome of the election. He argued successfully in the face of misgivings within his own party that the PSD should not field a candidate on the grounds that coexistence with the Socialist president worked well.

- Portugal's government has delayed the privatisation of the remaining 51 per cent of insurance company Alianca Seguradora SA because of uncertainty over the Gulf crisis, Finance Ministry sources said yesterday, Reuter reports from Lisbon.

They said the new date for the issue on the Oporto stock market, originally planned for January 29, would only be set after January 15 when the situation in the Gulf became clearer.

Business on Portugal's two small bourses in Lisbon and Oporto is at its most sluggish since the slump following the 1987 world stock market crash, and some officials worry that the government's ambitious privatisation programme could suffer.

Market sources said that if the Alianca sell-off was pushed back greatly there could also be delays in other privatisations expected this year. These include stakes in insurance firm Bonanca and finance company Sociedade Financeira Portuguesa.

EUROPE IN BRIEF

Poles turn back Soviet army train

Poland has turned back a Soviet train carrying armed troops and tanks from Germany to the Ukraine in the first known incident of its kind, a railways spokesman said yesterday, Reuter reports from Warsaw.

The spokesman said Polish army border guards stopped the train on Monday near the northwestern port of Szczecin because its transit to Medyka at the Soviet frontier, some 800 km away, had not been agreed with the Polish authorities. The train, carrying some 200 soldiers and nine tanks, returned to Germany after two hours of arguing.

Warsaw and Moscow are currently negotiating transit arrangements for the 370,000 troops which the Soviet Union must withdraw from the territory of former East Germany by 1994.

Crude steel output declines

World output of crude steel fell by 14.1m tonnes to 769.4m tonnes last year, principally because of the difficulties experienced by the biggest producer, the Soviet Union, and the east European countries, writes William Dullforce in Geneva.

In an initial report on the steel market in 1990, the United Nations Economic Commission for Europe records a 2.7 per cent decline to 155.8m tonnes in Soviet production and a slump of 14.7 per cent, or 8.7m tonnes, in output by the six east European states (including the former East Germany).

German trade surplus shrinks

Germany's overall trade surplus shrank to DM3.3bn in November from DM8.4bn in October, writes Katharine Campbell in Frankfurt.

The current account surplus was DM1.3bn, after DM6.7bn in Ocober.

While other major industrial countries slip into recession, the Germany economy has continued to grow and import, while exports, hurt by the strong D-Mark and the downturn in Germany's trading partners, have fallen back.

Exports fell 6.6 per cent compared with the previous month to DM58.37bn, while imports rose 1.7 per cent to DM55.079bn. For the whole of 1989 Germany produced a record trade surplus of DM135bn.

Oil restrictions by Commission

The European Commission has told car manufacturers that they can legitimately prevent their dealers from using certain kinds of oil in servicing their cars but cannot discriminate between brands, writes Lucy Kellaway in Brussels.

The decision comes at a time when Brussels is looking carefully at all restrictive agreements between car manufacturers and their distribution networks for serious abuses of competition.

Austria aims to join EFTA

Austria fully intends to join the 12-nation European Community (EC) despite being chairman of the European Free Trade Association (EFTA) for the next six months, the country's ambassador to the EC said on Thursday, Reuter reports from Brussels.

"It remains our first priority to pursue our membership application," Mr Wolfgang Wolte told a news conference called to launch Austria's chairmanship of the seven-country EFTA.

But he said this would not hinder plans to forge a 19-country single market – to be known as the European Economic Area (ERA) – with the EC by next June.

"We can pursue the EEA and membership application in parallel for the simple reason these two roads are oriented towards the same goal. There's no contradiction in this regard," he added.

US embassy man detained

A US embassy spokesman who once wrote speeches for Berlin's governing mayor has been arrested for allegedly spying for the Soviet KGB, a city spokesman said yesterday, Reuter reports from Berlin.

South African-born Stephen Laufer was detained on Tuesday on a warrant issued by Germany's federal prosecutor.

$800m in loans for Warsaw

Poland said yesterday it expected new World Bank loans of up to $800m by the end of June and that talks with the International Monetary Fund (IMF) on a new three-year agreement might start next week, Reuter reports from Warsaw.

Prime Minister Jan Krzysztof Bielecki said after the meeting with the head of the Bank's mission in Poland, Mr David Hume, that he was promised a loan of $600m to $800m to finance projects in energy saving, restructuring of industry, housing and communications.

Czechs pass abortion bill

Czechoslovakia's parliament has adopted a bill of rights that could restrict abortion, used widely as a substitute for contraception, Reuter reports from Prague.

The bill, which also confirms the abolition of the death penalty first adopted last May, was passed on Wednesday night with only one vote against.

Teargas fired on students

Greek riot police fired thousands of rounds of teargas to disperse rampaging students in central Athens after a mass march to protest against the killing of a teacher and planned educational reforms, police said, Reuter reports from Athens.

Witnesses said the fierce pitched battles were some of the worst fighting seen in Athens in years and four ambulances carried people to hospitals.

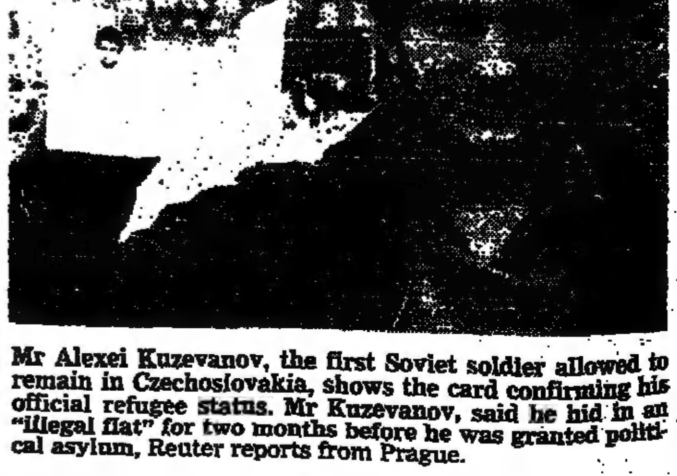
The number of casualties was not immediately known. About 500 riot police fought hundreds of protesters who threw rocks, swung wooden clubs, blocked streets with burning cars and smashed shop windows, the witnesses said.

Soviet TV bans programme

Soviet television authorities have temporarily dropped a controversial current affairs programme after twice vetoing items on the resignation of Foreign Minister Mr Eduard Shevardnadze, Reuter reports from Moscow.

The State Committee on Television and Radio, suspended Vzglyad (Viewpoint), which has an audience of 90 million, for two weeks.

The weekly programme was twice banned from showing reports about Mr Shevardnadze's resignation last month, apparently because the issue is regarded as politically ultra-sensitive.



Mr Alexei Kuzevanov, the first Soviet soldier allowed to remain in Czechoslovakia, shows the card confirming his official refugee status. Mr Kuzevanov, said he hid in an "illegal flat" for two months before he was granted political asylum, Reuter reports from Prague.

Italy agrees loans and credit deal for Algeria of $7bn

By Francis Ghilès

ITALY has agreed to extend a package of loans worth $7bn (£3.6bn) to Algeria. Initial agreement was reached between the two countries during the visit President Chadli Bendjedid paid to Rome on December 20.

The Algerian head of state and his foreign minister, Mr Sid Ahmed Ghozali, were touring European capitals in an attempt to mediate between the west and Iraq over the Gulf crisis.

The package of loans, which is of the same order as that extended by Italy to the Soviet Union earlier last year, is meant as a gesture towards North Africa's largest country, which is engaged in bold reforms aimed at liberalising its political and economic system.

Hence a first tranche of $2.5bn is earmarked for the refinancing, over the next seven years, of Italian state-guaranteed credits which fall due between January 1991 and January 1993. The remaining $4.5bn, which will have to be raised through banks, will be spent on the purchase of Italian goods and services.

This package must also be set in the context of Italy's decision to virtually double the amount of natural gas it will buy from Algeria over the next five years, which will lead to the doubling of the trans-med pipeline which, for the past 10 years has carried Algerian gas across Tunisia and the straits of Sicily to Italy.

ENI, the Italian state-owned energy and chemicals group, has agreed to take 9bn cubic metres of gas a year more between 1994 and 1996 while ENEL, the state electricity company, is close to agreement with Algeria's state oil and gas monopoly about the purchase of a further 5bn cubic metres of gas a year. Last year, Italy was Algeria's largest hydrocarbon export market. Algeria and Italy have also agreed to set up a joint bank.

This move will be particularly welcome in Algiers, where the Banque d'Algérie is eager to attract foreign companies and banks following the liberalisation of investment laws last April.

The private Saudi group Al Baraka was the first foreign group to set up both a joint bank and a joint leasing company with Algerian partners.

The three leading French state banks, Société Générale, Crédit Lyonnais and Banque Nationale de Paris, only have representative offices in Algiers.

Japan to improve status of Koreans

By John Ridding in Seoul

JAPAN yesterday announced it would abolish its system of fingerprinting Korean residents in Japan and implement a number of other measures aimed at improving their legal status.

The measures, announced on the final day of a two-day visit to Seoul by Mr Toshiki Kaifu, the Japanese prime minister, were welcomed by Mr Roh Tae Woo, South Korea's president.

They resolve one of the principal irritants in relations between the two countries since the end of Japan's 1910-1945 colonial rule of Korea.

"I want the Korean residents to bridge the gap between the two countries in promoting mutual understanding. We are now ready for future-oriented relations with Japan," Mr Roh said.

Under the terms of an agreement signed by the foreign ministers of the two countries, fingerprinting of the 680,000 Koreans resident in Japan will cease by the end of 1992.

About 300,000 other foreigners in Japan will also be exempted.

Seoul has long demanded the end of fingerprinting for Korean residents, many of whom are descendants of Koreans shipped to Japan for forced labour during the Second World War.

In addition, Japan yesterday agreed to give expanded job opportunities to Korean residents, to ease regulations on the deportation of Korean residents and to extend to five years, from the current one year, the period within which Koreans are allowed to re-enter Japan after leaving the country. All third and later generation Koreans living in Japan will also be given permanent resident status. Despite the official welcome given to the steps, some South Korean newspapers expressed disappointment that the system of fingerprinting was not abolished immediately.

Some also said that Japan was not doing enough to end the social discrimination facing Koreans living in Japan. During his second round of talks with Mr Kaifu, Mr Roh also called for steps to reduce South Korea's widening trade deficit with Japan. Last year, the deficit increased by more than 50 per cent to a record $6.09bn (£3.15bn).

Japanese Prime Minister Kaifu (right) before talks in Seoul yesterday with President Roh Tae Woo

Pilot error blamed for Indian air crash

By David Housego in New Delhi

THE crash of an Indian Airlines Airbus A-320 at Bangalore in February 1989 was due to the failure of the pilots to maintain correct speed on approach to the runway, according to a court of inquiry which reported yesterday.

The Airbus crash resulted in the death of 92 people and a government decision to ground the airline's fleet of 18 for several months. Domestic flights of the A-320 were only resumed last month after the fall of Mr V.P. Singh's administration and the formation of a new government under Mr Chandra Shekar.

The court of inquiry, under Justice K. Shivashankar Bhat, sees the probable cause of the crash in a pilot mistake of selecting an altitude of 700ft 35 seconds before impact, instead of a vertical speed of 700ft. The report says that the vertical speed and altitude knobs on the flight control unit are close to each other.

The result of this mistake, the report says, was that the engines of the airliner – which had been at a higher altitude – went into idle/descent mode.

"Failure of the pilots to realise the gravity of the situation" meant that they lost precious moments before opening the throttle of the engines. When they did so it was already too late.

In the wake of the crash, Mr V.P. Singh's administration alleged that Airbus Industrie, the manufacturers of the A-320, had paid illegal commissions to the former government of Mr Rajiv Gandhi to secure orders for the aircraft – allegations that Airbus Industrie has denied.

The grounding of its A-320 fleet cost Indian Airlines Rs1.7bn (£49m).

'Precious moments were lost' before throttle was opened

The report says there "was no defect reported on the airframe, engines and their systems" prior to the crash – though it records one observation about the computer controls.

The report says the accident could have been avoided if Bangalore had been equipped with an instrument landing system (ILS). This is denied by the government in comments on the report.

The court of inquiry also makes clear that fewer lives would have been lost if fire engines had been able rapidly to reach the site of the crash which was near the airport building.

Eighty people died as a result of the fire in the front of their aircraft.

Thai worries about Iraqi debts

By Paul Taylor, Asia Business Correspondent, in Bangkok

THAI rice exporters at a recent meeting expressed increasing concern about the prospects for repayment of the baht 2bn (£42m) Iraq owes them.

Nine Thai companies are each owed baht 200m-300m for high-grade rice which was exported to Iraq in 1989, before the Gulf crisis erupted. In December, the exporters, Huay Chuan Rice, Soon Hua Deng, Capital Rice, Hong Yeah Seng, Thai Hua, Seng Thong, Chaiyaporn Rice, Siam Rice and Kitiporn, sent a letter to the Iraqi authorities seeking information about the overdue payments.

While the initial Iraqi response was said to be "positive" Baghdad is more recently reported to have told the Thai companies that it is unable to pay the debts because its assets have been frozen by countries complying with the UN trade embargo resolutions.

The Thai rice exporters' concerns have been heightened by the open support which Thailand's Foreign Ministry gave last week to the US-led effort to persuade Iraq to withdraw from Kuwait. While the ministry's stand has won the endorsement of the prime minister, Mr Chatichai Choonhavan, it has also drawn criticism from the parliamentary opposition, which has argued that Thailand's involvement in the Gulf crisis is too costly.

Although the Thai rice exporters have received the approval of the Bank of Thailand, the central bank, to extend so-called packing credits by six months, several of the companies are now expressing concern that Baghdad may default on the credits and doubt that the Thai government would bail them out.

While Thailand remains the world's main rice exporting nation, the exporters' plight has been heightened by growing competition, particularly from Vietnam, which is emerging as an exporter of cheap, high-quality rice, and by a series of problems caused by pests and other calamities which have hit Thai production.

● The Gulf crisis is adding considerably to the costs of the mostly foreign investors in Thailand's baht 30bn second petrochemical complex at Ma Ta Phud on Thailand's eastern seaboard, causing some of them to delay or re-evaluate planned downstream projects, according to Thai Olefins (TOC) and Aromatics (TAC).

Among prospective investors are Toyo Engineering of Japan for the Olefins plant, a consortium comprising Chiyoda and Progetti Lavori, which is bidding for the TAC's aromatics plant contract, and a UK-Thai consortium, led by ICI of the UK, which has reportedly delayed opening tenders on a plant to produce PTA (Pure Terephthalic Acid) used in the production of polyester fibre.

Kaifu to launch regional initiative in Thailand

By Paul Taylor

JAPAN'S prime minister, Mr Toshiki Kaifu, who arrives in Bangkok next week at the end of a five-nation Asean tour, is expected to call for a new partnership between Japan and South East Asian nations aimed at resolving the conflict in Cambodia and rebuilding the economies of Indochina.

Diplomats in Bangkok believe Mr Kaifu will use his three-day visit starting on January 18 as a launching pad for a significant foreign policy initiative, emphasising Japan's desire to strengthen its relations with Asean (Association of South East Asian Nations) countries and Tokyo's willingness to play an active role resolving the Cambodian war, and then rebuilding regional economies.

The Japanese ambassador to Thailand, Mr Hisahiko Okazaki, told the Nation English-language newspaper in Bangkok that Mr Kaifu's expected policy speech in Bangkok would amount to a restatement of the so-called Fukuda Doctrine, which was unveiled in March 1977 in Manila by the then Japanese prime minister, Mr Takeo Fukuda.

The doctrine called for a dialogue between Asean nations and Indochina but was never really put into effect because of Vietnam's invasion of Cambodia the following year.

With the prospects for peace now improving, albeit at a painfully slow pace, it appears that Tokyo is now ready to play a more active role.

Japanese direct investment in Thailand remains strong. By some estimates a new Japanese factory opens here every three days.

More than 800 investment projects valued at about $5.5bn (£2.8bn) have been approved over the last four years.

Four consortia bidding for computer deal

FOUR international consortia have submitted final bids for a baht 2bn (£42m) project to computerise the Thailand revenue department's operations – the biggest project of its type in the country, Paul Taylor writes.

The four groups, which submitted their bids last week, are a consortium led by IBM; one led by Digital Equipment's Thai subsidiary; a consortium comprising Siam Unisys, Yip In Tsoi and SGV-Andersen Consulting; and a consortium led by Japan's NEC. A decision on awarding the contract is due in April.

The contract involves installing two big mainframes at the Bangkok headquarters, nine medium-sized mainframes in district revenue Offices, and 48 small mainframes in the provinces together with desk-top computers. The project is due to begin this year.

NEWS IN BRIEF

Indian religious leaders hopeful on temple row

HINDU and Moslem leaders yesterday met to resolve a dispute over a shrine and said the talks gave hope of an end to religious violence which has killed hundreds and brought down two governments, Reuter reports from New Delhi.

Mr Javed Habib, a Moslem leader, said after a third round of talks: "The hope that we can reach an honourable settlement is still alive." Both sides agreed to set up expert groups to examine documents backing their respective claims to the 400-year-old shrine in Ayodhya, Uttar Pradesh.

Mr Habib said Moslem leaders would name their experts next week to submit by January 24 their views on documents backing a Hindu claim to the site where a mosque now stands. Hindus believe Moghul Emperor Babur demolished a temple to Lord Rama, the most popular god in their pantheon, to construct a mosque. Moslems say there was no temple at the site.

Menem condemns 'insult' by US

President Carlos Menem of Argentina (right) has bitterly attacked the US embassy in Buenos Aires for accusing his government of corruption. He called the accusation an "insult", John Barham writes from Buenos Aires.

Mr Terence Todman, the US ambassador, said he had sent the government two letters complaining of bureaucratic delays to American investments and mentioned one case of attempted corruption. Mr Menem said he would ask Mr Todman to explain himself. Businessmen and diplomats claim the corruption in Argentina has got out of hand.

UK to finance Zimbabwe trucks

Britain is to provide £24.7m in development aid grant to Zimbabwe to help finance a £70.6m order for trucks which has been placed with ERF of Cheshire and AWD of Dunstable, Peter Montagnon writes.

The money, from the government's aid and trade provision, is part of a loan package arranged by Chartered WestLB with the backing of the Export Credits Guarantee Department (ECGD).

Bankers say the deal is a classic of its kind under the aid and trade provision.

On the other hand, it helps the government meet a development policy objective of upgrading Zimbabwe's transport, and is also providing work for the truck makers and their suppliers at a time of severe market downturn.

Swedish investment in S Africa

The Swedish government has given its permission to SKF, the world's largest roller-bearing company, to invest SKr10m (£920,000) in its existing ball-bearing plant in South Africa, it was announced yesterday, Robert Taylor writes from Stockholm.

The trade minister, Ms Anita Gradin, was anxious to emphasise that the decision was in line with Sweden's existing ban on investments to South Africa begun in July 1979 and did not break the sanctions policy.

The investment is aimed at improving working conditions in SKF's plant at Uitenhage, just outside Port Elizabeth.

Election killings in Pakistan

The Pakistani authorities yesterday ordered more troops into the south-western town of Jhang, some 250 miles from Islamabad, after a parliamentary deputy was shot dead. Farhan Bokhari writes from Islamabad.

Mr Esarul Haq Qasmi, an MP and leader of a Sunni Moslem group, was shot as he arrived at a polling station to cast his vote in yesterday's parliamentary by-elections. Police arrested six people in connection with the killing.

Later, the nephew of a candidate opposed to Mr Qasmi's group was killed by gunmen.

Singapore manufacturing boost

Manufacturing investment commitments in Singapore rose 27 per cent to S$2.48bn (£74m) in 1990 after a 2.5 per cent fall in 1989, the state-run Economic Development Board (EDB) said, Reuter reports from Singapore. The commitments were made mostly by foreign companies, with local portion totalling S$266.8m against S$333m in 1989.

EDB chairman Philip Yeo said uncertainties in the Gulf and the weakening of the US and other economies "will cloud our investment promotion efforts" in 1991.

Whisky lobby in Taiwan protest

New liberalised duties on imported spirits announced in Taiwan drew strong protests yesterday from the Scotch whisky industry, Philip Rawstorne writes.

Under the proposals, due to be introduced on April 1, the duty on Scotch whisky will be almost three times as high as that on bourbon and other US whiskies. Mr Bill Bewsher, director general of the Scotch Whisky Association, said yesterday: "The decision to liberalise the market for Scotch whisky is welcome, but such liberalisation can only work fairly if it includes a uniform duty rate for all spirits."

IBM in Brazilian joint venture

By Christina Lamb in Rio de Janeiro

THE Brazilian government has authorised the country's first joint venture in the information technology industry.

The project between IBM and the Brazilian company SID to produce microcomputers is the first concrete manifestation of the intention of the government of President Fernando Collor de Mello to liberalise the computer sector. It is also IBM's first joint venture in the world to produce one of its principal lines.

IBM and SID are the first to take advantage of the government's decision in October to allow joint ventures.

But information technology remains the most protected sector of Brazil's highly protected economy. A market reserve still operates, prohibiting the import of many products, including facsimile machines.

Although IBM has a strong presence in Brazil it is forbidden to import microcomputers. Scientists estimate that the protection policy has left Brazil a generation out of date on computers and on average information equipment in Brazil costs three times the price outside.

In this first project, estimated at $3.5m (£1.8m), IBM is to provide technology and put up 30 per cent of the capital – the maximum possible under the conditions set by the Collor government.

According to Mr José Goldemberg, the science and technology minister, it aims to produce microcomputers for "personal use but more sophisticated than available here and at more attractive prices".

The PS/2 line to be produced was launched by IBM in 1987. Mr Antonio Gil, president of SID, said he expected the venture, which will be based in São Paulo, to be operational within three months and the first Brazilian model to be launched by the beginning of next year.

He said: "We aim to produce between 200,000 and 250,000 units over the next four years." To start with, parts will be imported but gradually the index of national input will be increased.

Announcing the authorisation, Mr Goldemberg said: "We hope that as we open up, foreign companies will choose this route, producing in Brazil with Brazilian companies and generating employment here rather than simply opting for the solution of importing products."

To increase the competitiveness of its national computer industry the Brazilian government also announced an investment of $840m in the sector over the next three years.

'Minister of cocaine' faces 30 years in jail

A FORMER colonel once known as Bolivia's "minister of cocaine" could get 30 years in prison after being convicted of conspiring to smuggle the drug into the US, AP reports from Miami.

A federal jury took two hours on Wednesday to convict Mr Luis Arce Gomez, interior minister under Bolivia's military junta in the early 1980s.

"We never gave up. We kept looking for him," said Mr James Shedd, a spokesman for the Drug Enforcement Administration.

"He was in charge of a government that became the worst thing we can envision – a government involved in the production and distribution of cocaine."

The defence lawyer, Mr Stephen Finja, said he would appeal. Sentencing was set for March 22.

Ten Chicago brokers and traders convicted of fraud

By Barbara Durr in Washington

THE US government achieved a breakthrough in its investigation of trading fraud in the futures markets this week when a Chicago federal jury convicted 10 soyabean brokers and traders of fraud and racketeering.

The convictions appeared to breathe life into the government's efforts to fight fraud in the Chicago trading pits. The investigation had stalled after the government failed last summer to win convictions of three Swiss franc futures traders on most charges against them.

In the latest trial, the second of three, six brokers and four traders of soyabeans from the Chicago Board of Trade faced more than 300 charges including racketeering, mail and wire fraud and violations of the Commodities Exchange Act.

Only one of the nine charged with racketeering was acquitted of that charge.

Each racketeering count carries maximum penalties of 20 years in prison, a $250,000 (£130,000) fine and forfeiture of personal assets. Sentencing will come later.

During the trial, which began on September 10, prosecutors alleged that the defendants engaged in illegal after-hours trading known as "curb trading", in which brokers passed along losses to independent traders in return for profitable trades later.

Those convicted this week were among 48 people indicted for fraud in 1989 after a two-year Federal Bureau of Investigation inquiry. Federal prosecutors said their investigations would continue and more indictments were promised.

Changing trade patterns put canal widening on hold

The Panama authorities may instead decide to let transit times exceed 24 hours, reports Tim Coone

PLANS to widen the narrowest part of the Panama Canal to boost handling capacity have been placed on hold as a result of the latest traffic projections by the Panama Canal Commission (PCC).

Changes in world trade patterns have modified the PCC's traffic forecasts to the point where the $400m (£207m) projected widening of the Gaillard Cut could well be postponed until the end of the decade, close to the December 31 1999 deadline when the US is to cede control over the canal to Panama.

US fears over possible deterioration in the administration of the canal after this date lay behind the December 1989 invasion to oust General Manuel Antonio Noriega and his Panamanian Defence Forces.

The invasion solved that problem and cleared the way for more amicable relations between Panama and the US over investment decisions in the canal, such as the Gaillard Cut widening. It seems that decision may now be left to the Panamanians themselves anyway, given the PCC's latest traffic forecasts.

According to studies by the executive planning division of the PCC, the "pinch point", when average transit time through the waterway will take longer than 24 hours, will not occur until the year 2007 or 2008. This is some 10 years later than previous estimates made as recently as two years ago by the canal's then-deputy administrator, Mr Fernando Manfredo.

The Gaillard Cut is the 70km waterway's narrowest point, and is named after the US engineer who built it at the beginning of the century. Here the canal had to be blasted through a hill of solid rock.

Large "Panamax" ships are at present restricted to one-way and daytime-only operation through it. An average of 33 ships a day use the canal. One-fifth are the large "Panamax" ships, wider than 100ft (the lock chambers are 110ft wide).

Widening the cut to permit two-way operation of these vessels would cost an estimated $400m. However, according to Mr Richard Wainio, director of the executive planning division of the PCC, "we would only do it if the shipping world considers it useful and shippers are willing to pay the price."

He said the project as at present planned would require an 11-year construction period, and would be financed out of toll revenue. Tolls would have to be raised some 10 per cent above their present $2.01 per net ton, as the canal is run only to break even.

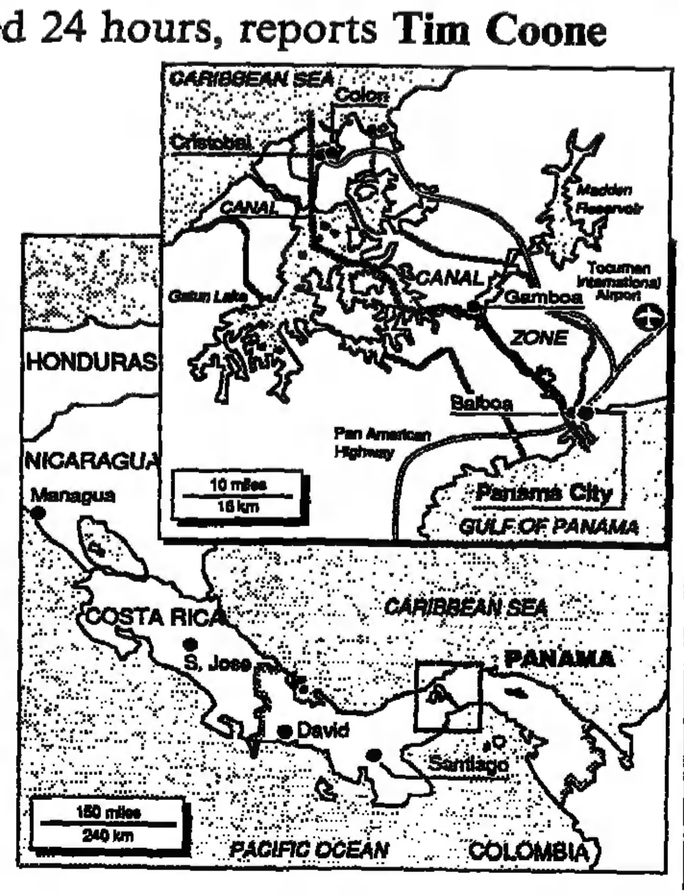
PCC statistics show that traffic through the canal has not grown significantly during the past decade. The trans-isthmus oil pipeline, transport using the US rail network, and the international relocation of Japanese manufacturing facilities have all taken business away. Most significantly, container and car traffic, the highest revenue earners for the PCC, are down. Containers on the US-Far East trade are being diverted to the US west coast and the US rail network. The opening of Japanese car making facilities in the US has reduced car shipments.

Mr Wainio says the Panamanians might reasonably opt not to widen the cut, and instead use more commercial criteria in the canal's operation, by allowing average transit times to extend beyond 24 hours, which would run the canal at its full capacity and maximise income without making big investments. The Gaillard Cut project could thus be postponed for several decades.

The recent Gulf crisis however, and a sudden shift in trade routes, might have caused planners in Washington to consider hastening the project's start before the canal is handed over in 1999.

According to Mr Wainio, movements of petroleum products and phosphate rocks through the canal have surged since August. Far Eastern buyers have stepped up purchases of US refined products to replace the loss of Iraqi supplies, and concern over the continuity of phosphate rock supplies from Jordan in the event of a Middle East war has resulted in greater trade between Florida suppliers and the Far East. Venezuela and Ecuador have also stepped in as important new oil suppliers to the Latin America and US markets, he said.

A long-term shift in trade patterns however, such as might be caused by the outbreak of war, could once again modify the PCC's traffic forecasts and thereby its investment plans. "All long-term forecasts are subject to modification," Mr Wainio admitted.



UK NEWS

Telecoms watchdog approves lower accounting rates for transatlantic calls

Carsberg urges cheaper calls to US

By Charles Leadbeater, Industrial Editor

SIR BRYAN Carsberg, the director general of Oftel, the telecommunications industry regulator, yesterday urged British Telecom and Mercury Communications, to cut prices for telephone calls to the US after approving sharply lower accounting rates for transatlantic calls.

The accounting rates, which set the amount which BT and Mercury pay their foreign counterparts for carrying a call to its final destination, will be almost halved in the next three years. The route between the UK and the US is the busiest intercontinental route in the world.

BT has blamed artificially high accounting rates for the high levels of call charges. It makes large profits on its international services.

Sir Bryan said reduced accounting rates should lead to cuts in prices for international calls so that they are closer to the costs of providing the service. This would help to stimulate international traffic, he said.

However, BT refused to commit itself to any cuts in transatlantic charges. The company said any move on international prices would have to await the outcome of its discussions with Oftel and the Department of Trade and Industry over the introduction of a cap on international phone charges.

Mercury said the cut in accounting rates would not lead to any dramatic reduction in call charges as accounting rates were only one factor in determining prices.

Oftel announced in October that it was planning to cap BT's international calls charges in view of the company's high profit margins on these services. The negotiations over the price cap are expected to be concluded within the next few weeks.

Sir Bryan said he hoped the agreement to cut accounting rates for calls to the US would lead to similar reductions on other routes.

In a separate development, Sir Bryan gave a London conference further details of how Oftel and the government intend to introduce greater competition into the UK telecommunications market. The move follows the publication of consultative proposals last November.

Sir Bryan said that equal access – one of the central proposals that would allow local customers to choose which long distance carrier to use by dialling a special code – would only be introduced if a telecommunications provider were to press for it strongly in order to promote greater competition.

Labour to fight election on tax and inflation

By John Mason

THE opposition Labour Party's intention of basing its campaign strategy from now until the next general election on the economy and the new poll tax was endorsed yesterday.

At a biannual strategy meeting of its "shadow cabinet", members based their confidence upon private polls carried out for the party demonstrating considerable public concern about the future prospects for the economy.

A senior party source said public concern about rising unemployment is increasing with people concerned that service industries and the financial sector could suffer during the recession.

Mr John Smith, the opposition spokesman on economic affairs, said this was something that Conservative MPs would have to answer for to their electorates.

He said all the current economic problems could be traced directly to the government's incompetence in creating a boom simply to help themselves win the 1987 election. He pointed out that despite the benefits of North Sea oil Britain's competitiveness still lagged behind its EC partners. The polls also suggest that Labour's support has remained firm at about 40 per cent since Mr Major became prime minister.

Electricity privatisation

Package designed to deprive investors of easy profits

By David Thomas and Clare Pearson

A PACKAGE of measures designed to deprive City of London investors of easy profits in the two generating companies heading for privatisation by the government was announced yesterday.

The measures are likely to dismay some investing institutions, already smarting following this week's decision by the government to retain a 40 per cent stake in National Power and PowerGen after their flotation next month.

The proposals were unveiled at the launch of the marketing campaign for the two generators when the government confirmed that investors will have to buy units of shares in both companies at a common price.

This arrangement is designed to stop investors favouring one company over another.

Each company's shares will be traded separately after dealings start.

Further controversy arose over the issue yesterday when the opposition Labour party threatened to use the government's stake to intervene in the companies if it came to power after the next general election – which must by called by the end of 1992.

Labour opposes the cost-cutting plans of the companies, notably for more coal imports and new gas-fired power stations.

Kleinwort Benson, financial adviser to the government, has devised an unusual way of selling shares to institutions in an attempt to avoid charges of underpricing made after the sale of the 12 regional electricity companies last month.

Some shares will be held back for underwriting institutions which will be invited, just before dealings start, to bid for them at levels above the fixed price at which most of the issue will be sold.

Before this price is struck, financial intermediaries both in the UK and overseas will be required to submit reports on levels of demand among their clients.

In addition Kleinwort Benson is considering whether primary underwriters – banks who initially take on the risk – can be cut out altogether. But details of the idea are not yet clear.

Some investing institutions and merchant bankers reacted sceptically. "It looks too clever by half," one said.

Incentives in the form of cash discounts off the share price and loyalty shares will be offered to individual investors, Kleinwort Benson said.

Kleinwort also said it intends to undertake more than usually thorough research into institutional demand before setting the share price. Payment will be in two instalments, with the minimum investment likely to be £500 on a fully-paid basis.

The government is considering whether it will nominate directors and what form a golden share in the companies could take.

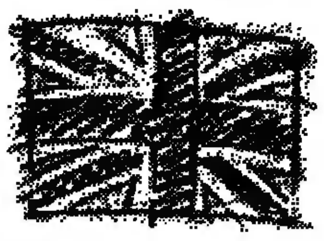
Mr John Wakeham, energy secretary, yesterday did not rule out all government intervention in the companies, although he stressed that management would be left to manage.

He said: "Our position as shareholder in the company will be the same as any other shareholder.

We have power to influence and vote at the annual meeting but we shall not sit there and run the day-to-day affairs of the company or seek to interfere in that sort of way."

Observer, Page 14
Electricity company results, Page 24

BRITAIN IN BRIEF



Barclays makes stern wage offer

Barclays Bank made a stern start to the banking pay round by offering a 7 per cent rise to 75,000 staff. The bank declared its belief in the need for lower pay settlements nationally to help reduce inflation and interest rates.

Barclays' offer was immediately rejected by both the Barclays Group Staff Union and Bifu, the financial services union. A Barclays settlement is likely to influence strongly other banking settlements in April.

The offer comes at the start of what is likely to be a tough bargaining year for the clearing banks and other financial services companies.

Coal sales are likely to slump

British Coal's sales to UK industry are likely to fall dramatically over the next 10 years, according to a report on the £300m-a-year industrial coal market.

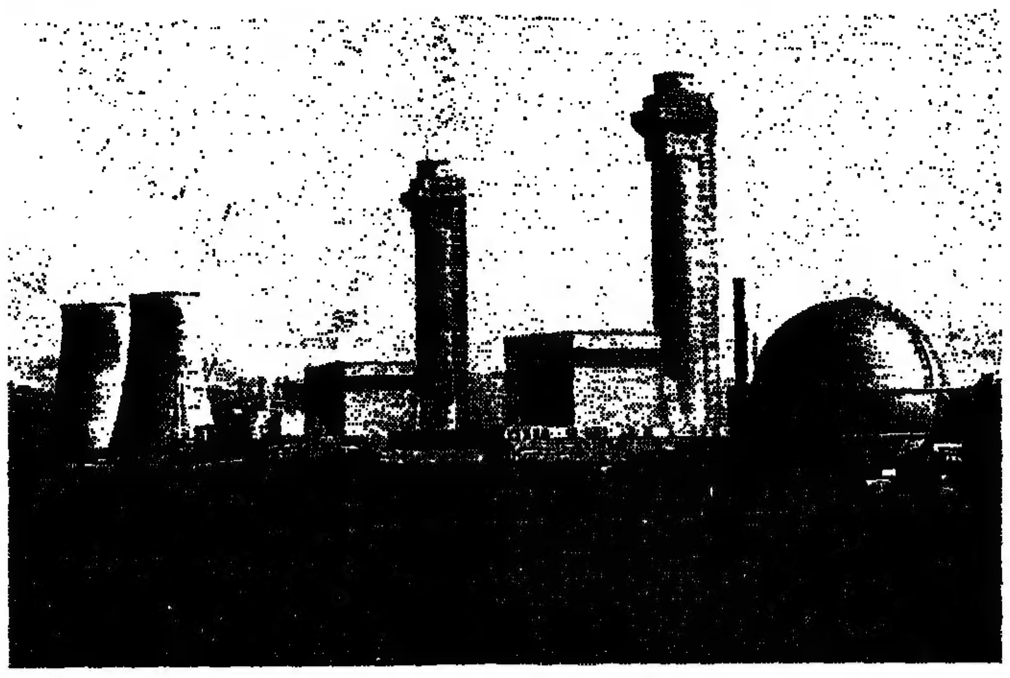
The report predicts annual sales of only 1m tonnes by the end of the decade, compared with 6.5m tonnes last year. Imported coal and gas will replace much of British Coal's lost business, while the market itself will shrink – primarily because of the environmental need to curb sulphur dioxide emissions.

New term for fair trade chief

Sir Gordon Borrie, director general of fair trading, has been reappointed for a further year when his present term of office expires in June.

The move, announced by Mr Peter Lilley, trade and industry secretary, ends recent speculation over Sir Gordon's successor.

Sir Gordon was first appointed as director general in 1976, replacing the late Sir John Methven, and has been reappointed twice.



British Nuclear Fuels may extend compensation plan

British Nuclear Fuels may extend its radiation compensation scheme to cover all external contract employees working at BNF sites. The move follows the record payment of £150,000 to the widow of a contract worker who died of leukaemia after being exposed to high doses of radiation at the Sellafield nuclear reprocessing plant (above) in north west England. BNF said the payment to Mrs Brenda Dunn, whose husband died of chronic myeloid leukaemia at the age of 31, was the maximum award payable under the company's compensation scheme.

Bus merger is reversed

Stagecoach Holdings, one of Britain's biggest and most acquisitive bus groups, has bowed to a government ruling that it should unwind its takeover of Portsmouth Citybus.

It has agreed to sell the company's routes and assets to Transit Holdings for an undisclosed sum.

This is the first occasion since the deregulation of Britain's bus industry in 1986 that a bus company merger has been reversed as a result of government intervention.

Verdict in credit card case

Eight London businessmen and shopowners involved in an international "mafia-style" multi-million-pound credit card fraud have been jailed.

Companies including Visa, Access, American Express and Diners Club lost more than £1.5m from the fraud.

The conspiracy involved obtaining details of credit and charge cards during genuine transactions and using them to prepare so-called "white plastic" cards.

Ice cream plant to close down

Bird Eye Wall's, Britain's largest ice-cream manufacturer, is to close its Leeds factory, in the north of England, with the loss of 180 jobs. The factory is due to close in April.

The move will leave Gloucester, with annual capacity of 130m litres, as Wall's only factory in the UK. The Treats plant at Leeds, which had made ice lollies and other ice-cream products since 1954, was only one-tenth the size.

Redevelopment wins go-ahead

Businessman Peter de Savary's £200m plan to redevelop a run-down fishing harbour as a huge leisure complex has been given the go-ahead by planners.

The scheme, comprising 1,000 luxury homes and holiday accommodation for 3,500 people in Cornwall, in south-west England, will now go before the local council for final approval.

Mr de Savary earlier overcame protests from conservationists by agreeing to sell nearby land to the Royal Society for the Protection of Birds for £1.

Warmest year on record

Last year was the warmest since records began, according to the Meteorological Office, whose announcement will be widely viewed as supporting evidence for global warming.

Global average temperatures were 0.05 C higher in 1990 than during 1988, the previous highest year. Last year was particularly warm in Europe, western Siberia, the Far East, most of the US and southern Canada. March was easily the warmest on record.

Six of the seven warmest years since records began 140 years ago have all occurred since 1980, the Met Office said.

LAND ROVER

Brazilian plant to make British cars

By John Griffiths

LAND ROVER, the four-wheel-drive subsidiary of Rover Group, is setting up a Brazilian subsidiary which could lead to production of up to 18,000 vehicles a year from 1993 onwards.

Such a plant would represent a major expansion for Land Rover, whose production of 68,621 vehicles last year was a record.

The venture, if its main objectives are achieved, would require the use of a high level of Brazilian-sourced components, and would represent Land Rover's first integrated overseas manufacturing venture.

Currently, there are seven Land Rover assembly operations around the world but none in Latin America. Production at the exisiting overseas plants relies on kits supplied by Land Rover's UK manufacturing centre at Solihull, central England.

Land Rover is seeking to take advantage of last year's lifting by the debt-laden Brazilian government of a ban on vehicle imports which had been in place since 1974.

The British government, however, also imposed an 85 per cent general import tariff which, with local taxes, makes an imported European vehicle four times as expensive as in its domestic market.

Manufacture, using a high level of locally-produced components, is thus seen as the only practical way of developing a sizeable presence in the Brazilian market, where about 750,000 vehicles were produced last year.

Land Rover believes that about 50 per cent of output could be exported to other Latin American countries.

Feasibility studies into establishing a sales and distribution operation initially, followed by manufacturing, have been going on since August last year.

As a result, a wholly-owned subsidiary, *Land Rover do Brasil*, is planned to become operational in Sao Paulo by the end of February.

Initially, it will be responsible for developing a sales, marketing and dealer network to import the company's luxury Range Rover models, which Mr Richard Morley, the programme director, said yesterday could be sold at a rate of up to 2,000 units a year.

The feasibility study for the manufacturing plant will continue in parallel with the development of the sales network, with the expectation that an integrated manufacturing operation would get under way at the start of 1993.

Mr Morley, who for 15 years has held senior executive positions within British Leyland, the former state-owned motor manufacturer which has since been sold to British Aerospace as the renamed Rover Group, said it was likely to take at least until the end of the year to decide whether, and in what precise form, the manufacturing operation should proceed.

Despite the initial sales of Range Rovers, he said the "real market" would be for Land Rover's more traditional and rugged 'Defender' workhorse, used in agriculture and forestry applications.

Land Rover would hope to achieve 50 per cent local content at start-up, and move up rapidly to higher levels.

Mr Morley, 53, first joined Leyland 15 years ago, as managing director of Leyland-Land Rover in Nigeria.

He held similar positions with Leyland Bus and Truck in Brussels and Rover Ireland, but left Rover two years ago for Leyland DAF, in order to manage the overseas Land Rover operations.

Land Rover itself does not own or operate existing assembly operations, in Australia, Kenya, Malaysia, Turkey, Zaire, Zambia and Zimbabwe. Instead, these are supplied through DAF, the Dutch truck maker which merged with Leyland Vehicles in 1987 and in which Rover has a 16 per cent stake.

In its British Leyland days, Leyland Vehicles operated world wide under the name of Land Rover-Leyland.

Mr Morely rejoined Rover in August last year to undertake the Brazil study.

Yesterday he acknowledged difficulties encountered by other manufacturers operating in Brazil.

General Motors, Ford, Scania and Fiat, for example, have all complained about being placed under too heavy profit pressures by the Brazilian government.

Mr Morley, however, said the government had the problem of striking a balance between encouraging manufacturers to be competitive, and the reality that they had been protected from competition for the past eight years by the imports ban.

PEUGEOT TALBOT

UK motor subsidiary cuts jobs and output

By John Griffiths

PEUGEOT Talbot, the French vehicle group's UK subsidiary, is to shed 335 jobs and cut car output for the second time in three months, the company told its 4,300 workforce yesterday.

The company, based in central England, blamed the collapse of UK car sales, shrinking overseas markets and the Gulf crisis for its decision. The move is only one of several retrenchments by the UK vehicle industry as the UK's recession bites deeper.

Ford is also planning to shed some 900 jobs this year, although most of these form part of an already known, long-term programme to cut costs.

Rover plans to cut a total of 1,226 jobs in the engine and gearbox sections of its Longbridge plant; at Cowley, where its ageing Maestro, Montego and 800 ranges are built, and at its Swindon pressings plant. Jaguar also plans to shed 800 jobs through natural wastage.

Statistics published by the Society of Motor Manufacturers and Traders this week showed new car sales falling more than 27 per cent in December, the biggest monthly drop on record.

Peugeot Talbot union leaders said they would fight the cuts, which bring to nearly 700 the number of job losses announced at the company since November. Most jobs will go at the Ryton assembly plant but some will also go at the nearby Stoke components facility.

Car output is to be cut from 2,400 a week to 2,100 from February 4. This means that weekly output will have dropped by just under 20 per cent since November, when 2,600 a week were being built of the Peugeot 405 models which are the only vehicles produced at the plant.

Mr Tony Woodley, of the TGWU transport union and national officer for the motor industry rejected company claims that the latest cuts could be achieved voluntarily and through natural wastage.

"Peugeot must think again. We are actively encouraging the workforce to resist these redundancies", said Mr Woodley, who also chairs the union side of Peugeot Talbot's joint negotiating committee. The plant's union officials are expected to meet shortly to consider their course of action.

In a letter to Mr Geoffrey Whalen, Peugeot Talbot's managing director, calling for the cuts to be reconsidered, Mr Woodley claimed they could jeopardise the plant's future.

Mr Whalen, however, said he considered the problems to be relatively short term. Despite the UK's worsening problems, Peugeot Talbot achieved record output of 116,000 cars last year, up from 107,000. Of these, 70 per cent were exported. But the West European market has also gone into a downturn in recent months, after five years of record sales.

"If, as we expect, the market for our cars in Europe increases in 1992 and beyond, Ryton's capacity to produce 120,000 cars a year should be fully utilised," he said.

Economic table talk to fill a long weekend in the country

Chevening: ancestral home and venue for an annual economic think-tank on the Budget

LATER today, Mr Norman Lamont, the UK chancellor of the exchequer, his fellow Treasury ministers and a select group of top officials head for Chevening, the ancestral home of the Earls of Stanhope in the Kent countryside, writes Peter Norman.

Although this government "grace and favour" mansion is well equipped for an elegant Edwardian-style country weekend, the purpose of the trip will be to have a sobering, first look at the government's budget options for 1991-92.

In recent years, Treasury spokesmen have gone out of their way to play down the importance of the Chevening weekend. This year, following last November's change of prime minister, chancellor and much of the Treasury ministerial team, the talks will be more exploratory than usual. With war looming in the Gulf, any economic judgments will be hedged with much uncertainty.

But certain things are clear. The chancellor will frame his budget knowing that a general election has to be fought within the next 18 months; that Britain is in recession and that years of budget surplus are coming to an end. While the political pressure to facilitate a fourth Conservative election victory will mount, his economic room for manoeuvre is small.

The main constraint on Mr Lamont remains the need to lower inflation. Although the Treasury is now convinced that retail price inflation has peaked, it is unsure whether this applies to wage inflation.

This uncertainty helps explain why the Treasury is in no hurry to lower interest rates in the face of growing evidence of serious recession. Indeed, some officials regard the pound's languishing in the lower half of its fluctuation band in the exchange rate mechanism of the European Monetary System as positively beneficial for Britain's medium-term economic prospects.

That might mean short-term pain, particularly for mortgage holders. But the reward could be reaped in a budget-time interest rate cut and greater success in the battle against inflation, which would pave the way for eventual economic recovery.

As the economic picture has deteriorated, so have the government's finances. But this lurch into deficit might be less of a constraint on the chancellor. He has said that he "sees nothing wrong" in the government running a "modest" budget deficit if output is below trend. A deficit would allow the government to experiment with the flotation of bonds denominated in European Currency Units or even hard Ecus.

However, Mr Lamont has declared that he is no fiscal "fine tuner". He will be no more inclined to change taxes to boost the economy than his immediate predecessors.

Although Mr Lamont has been a Treasury minister for many years, it is highly unlikely his 1991 budget will go down in history as a milestone on the road of tax reform.

The rapid turnover of Treasury ministers since Mr Lawson's replacement by Mr John Major in October 1989 is one factor behind the ebbing of reforming zeal.

Another is the need for the Treasury and other departments to sort out the mess left by the community charge – the new system for local taxation. A third factor is the legislative timetable.

According to Mr Bill Robinson, the director of the Institute for Fiscal Studies, "Tax reform happens in budgets after elections – not before."

But Mr Lamont will not want to go down in history as a "do-nothing" chancellor, who – should the government fail to win the election – made no mark while holding high office.

He is regarded by taxation policy experts as a man who favours "fiscal neutrality", which means he is in favour of a "level playing field" in the tax system without special privileges for sectional interests or groups of individuals.

He is also thought to be more of an economist as chancellor than Mr Major, who always had his eyes on a higher political prize than number 11 Downing Street.

If the government finances allow – and here war in the Gulf could be a serious limiting factor – it would be logical to expect him to consider some relief for less well-off citizens while maintaining a firm fiscal stance.

He also might decide to do more to promote savings, building on Mr Major's 1991 budget decisions to end composite rate tax from April and introduce Tessas – the new tax exempt savings accounts.

Such goals would fit in well with the prime minister's known views on taxation and might even help the chancellor achieve his important, but unstated, goal of ensuring Mr Major's re-election.

BUSINESSES FOR SALE

THE JOHN DEE GROUP

Following the appointment of Joint Administrative Receivers to The John Dee Group of Companies the following businesses are available for sale

Based in County Durham
Appointees: D.M. Middleton & G.S. Goldie

John Dee Group Limited
- Depots in Darlington and Gloucester
- Long Term Contracts
- Turnover £5.5m.

John Dee Transport Limited
- Long Established General Hauliers
- Specialist Equipment for Abnormal Loads
- Large Fleet of Modern Vehicles
- Aeroplane
- 12 Acre Site
- Freehold Property
- Turnover £7m.

John Dee Warehousing Limited
- Extensive Long Term Warehouse Contracts
- Handling Equipment
- Loyal Staff
- Turnover £0.9m.

John Dee European Limited
- Overseas Contracts
- Motor Vehicles
- Freehold Property at Coundon
- Parking Facilities
- Turnover £1.7m.

Coundon Commercials Limited
- Workshop Facilities
- Experienced Staff
- Capacity for Third Party Work
- 8 Acre Site at Coundon
- Turnover £0.5m.

Appointees:
D.M. Middleton & R.M. Addy

John Dee Southern Limited
- Based at Dunstable
- 450,000 sq ft Covered Warehousing
- Handling Facilities
- Term Contracts
- Vehicles
- Turnover £9.5m.

Appointees:
D.M. Middleton & S.J. Taylor

John Dee Midlands Limited
- Based at Ilkeston
- Large Leasehold Premises
- Vehicles & Handling Equipment
- Turnover £3m.

Appointees:
D.M. Middleton & M.J. Moore

John Dee Yorkshire Limited
- Based at Rothwell
- Leasehold Property
- Warehousing & Workshops
- Office Accommodation
- Contracts
- Vehicles
- Turnover £4.6m.

Appointees:
D.M. Middleton & J.D. Harrison

John Dee North West Limited
- Based at Haydock
- Warehouse (Leasehold)
- Back to Back Contracts
- Vehicles & Handling Equipment
- Turnover £2.2m.

Appointees:
D.M. Middleton & F. Blin

John Dee Scotland Limited
- Freehold Property in Airdrie
- Warehouse, Offices, Workshop
- Handling Equipment
- Vehicles
- Valuable Contracts
- Turnover £0.6m.

FOR FURTHER INFORMATION PLEASE CONTACT:
John Munroe, Cork Gully, Mainsforth Industrial Estate, Mainsforth Road, Ferryhill, County Durham, DL17 9DE.
Telephone 0740 651129 Telex 58190 Jon Dee Fax 0740 654870

Cork Gully

Cork Gully is authorised in the name of Coopers & Lybrand Deloitte by the Institute of Chartered Accountants in England and Wales to carry on Investment Business.

Touche Ross

VIGA

Viga Sports and Leisure Wear Limited
(In Administrative Receivership)

The business and assets of the above company are offered for sale.

The Company is engaged in the distribution of its own brand of sports and leisure wear under its branded name VIGA.

Main features are:

- Respected name and trade mark VIGA.
- Annual turnover approximately £1 million.
- Order book of approximately £100,000.
- UK customer base includes retail sports shops and major multiples.

For further details, contact Ted Wetton or alternatively the Joint Administrative Receivers Gurpal Johal and Ralph Preece at the address below.

10-12 East Parade, Leeds LS1 2AJ.
Tel: 0532 439021 (Ext.256). Fax: 0532 445580.

Member DRT International

Authorised by the Institute of Chartered Accountants in England and Wales to carry on Investment Business.

CITY AND FINANCIAL SERVICES NEWS AGENCY RESEARCH LIBRARY FOR SALE

FIRST OFFER AROUND £10,000 SECURES

City news service is seeking a buyer for its entire city and financial information library and copious orginal city documentation following completion of its transfer to electronic storage. The library contains catalogued press comment in subjects, cuttings and company news releases, offer documents, report & accounts from 'big bang' to December 1990. Buyer collects EC1 area
Telephone 071 253 5523

OKEPALM LIMITED - IN ADMINISTRATION
T/A STAFFORD SPORTS ARENAS
INDOOR SPORTS CENTRE

The Administrator offers for sale the business and assets of the above company

Extensively renovated leasehold premises providing complete range of facilities

Licenced Bar and catering.

Provides for indoor football, cricket, badminton, bowls, tennis etc.

Sports Clinic.

Fully utilised during peak hours and has potential for further development.

For further information please contact
Noel Fryer or Mustafa Abdulali,
Pannel Kerr Forster,
St George's Chambers, Merrial Street,
Newcastle-under-Lyme, ST5 2BG.
Tel: 0782 632111 Fax: 0782 711202

PANNELL KERR FORSTER
CHARTERED ACCOUNTANTS

FOR SALE
IMPORTER OF SPECIALITY INDUSTRIAL CHEMICALS

This private Company, established 1968, Turnover approximately £2m has long established Agency agreements with overseas suppliers and an equally strong customer base. Forward contracts and order book reflects excellent long term prospects. It would easily bolt on to a company with similar interests, where overheads could be shared to maximise profitability.
In view of his impending retirement, the Chairman and principal shareholder wishes to dispose of the Company as a going concern.
Freehold office premises in South West London could be included if required, but location is not important.
Principals only need apply.
Write Box No: H7880 Financial Times,
One Southwark Bridge, London SE1 9HL

WHOLESALER OF HEALTH PRODUCTS

Uniquely high percentage of health food sector accounts in home counties. Customer base of 400 ambience fitness clubs, delicatessens and prestige accounts. Good G.P. and average order value with exceptionally low overheads create an attractive nett profit on expanding turnover of £450K. Valuable, exclusive agencies and other supplier concessions.

Write Box No: A336 Financial Times,
One Southwark Bridge,
London SE1 9HL.

Engineering Manufacturing Company, specialising within the Food Processing Industry. Good profitability.

A unique and monopoly position, designing, manufacturing and selling to principal organisations,

For sale, due to owner retirement, and to include the 8000 sq ft freehold factory on 3/4 acre industrial building land, if required.

Write Box No: H7879 Financial Times,
One Southwark Bridge,
London SE1 9HL.

FOR SALE
Plastic Trade Moulder

Located in the West Midlands the company has a turnover in excess of £2.5m with adjusted profits of just under £200k. The company occupies modern freehold premises with up-to-date plant ranging from 23 to 800 tonnes. The Directors' and Management believe that their company can be best served by being part of a larger organisation.

Write to Box H7855,
Financial Times,
One Southwark Bridge,
London SE1 9HL.

Due to a partnership dissolution a North West publisher has to sell its prize asset!

Bi Annual free A5 Magazine - over 200 pages per issue - 300 Advertisers (with minimum 33% repeat rate) over 10% paid subscriptions (voluntary contributions).
1990 grossed £300,000 revenue.
Quick sale required. Please reply to

Box H7884, Financial Times, One Southwark Bridge.
LONDON. SE1 9HL

EMPLOYMENT AND RECRUITMENT GROUP
FOR SALE

Highly successful and profitable group with representation throughout the UK.
1990 profit in excess of £1 million with much potential for further growth.

For further information please write to:
Box No: H7683 Financial Times, One Southwark Bridge, London SE1 9HL
Principals only please.

SMALL HIGH-QUALITY TYPESETTING COMPANY

With modern offices and equipment in an excellent mid-Kent location seeks sale as a going concern, merger or joint venture.

Please write Box H7888,
One Southwark Bridge,
London SE1 9HL.

ENGINEERING COMPANY FOR SALE

Based in West Yorkshire, Established nearly 20 years. Good profit record. Turnover £750k mainly subcontract work. Freehold Property, plant including 3 CNC's and goodwill included in price of £850k.

Write Box H7871, Financial Times,
One Southwark Bridge,
London SE1 9HL.

Property Management/Letting Company For Sale

London/Essex location. Turnover circa 500k with fees of 85K. Easily run with much repeat business.
Reluctant sale.
Price: 100K.

Principals only. Write Box H7879,
Financial Times, One Southwark Bridge,
London SE1 9HL.

SUCCESSFUL TRAVEL AGENCY IN NORTH LONDON FOR SALE

IATA, ABTA, B.RAIL, TRAVICOM ETC.
FIRST CLASS LOCATION AND WELL TRAINED STAFF.
T/O CIRCA £1.6M p.a.
Write to Box H7887 Financial Times,
One Southwark,
London SE1 9HL.

PRODUCTION KITCHEN

Leasehold 2200 sq ft premises with modern equipment for chilled, frozen meal production situated Wandsworth. Available immediately due to business expansion. Tel: 081-994-4634.

***COVERING CENTRAL* SCOTLAND**

Small well established profitable black top surfacing, road planing and civil engineering company complete with modern planing and paving equipment etc. Good contacts

Principals only write H7886, Financial Times, One Southwark Bridge, London SE1 9HL.

BUSINESSES FOR SALE

Tuesdays, Saturdays and now FRIDAYS

For further information please contact

Gavin Bishop on 071-873 4780

or

Melanie Miles on 071-873 3308

LEGAL NOTICES

NOTICE OF CREDITORS MEETING
UNDER SECTION 48(2) INSOLVENCY ACT 1986

COLIN DAVIS (GARAGES) LIMITED

NOTICE IS HEREBY GIVEN, pursuant to Section 48(2) of the Insolvency Act 1986, that a meeting of the unsecured creditors of the above named company will be held at Bank House, Charlotte Street, Manchester, M1 4BX at 11.00am on Monday 21 January 1991 for the purpose of having laid before it a copy of the report prepared by the Joint Administrative Receivers under Section 48 of the said Act and, if thought fit, appointing a committee.

A proxy form is sent herewith. Creditors whose claims are wholly secured are not entitled to attend or be represented at the meeting. Other creditors are only entitled to vote if:

a. They have delivered to us at the address shown below, no later than 17 January 1991 at 12.00 noon, written details of the debt they claim to be due to them from the company, and their claims have been duly admitted under provisions of rule 3.11 of the Insolvency Rules 1986;
and
b. There has been lodged with us any proxy which the creditor intends to be used on his behalf.

Dated. 7 January 1991
Signed J.D. Harrison
Joint Administrative Receiver, Cork Gully, Bank House, Charlotte Street, Manchester, M1 4BX.

008731 of 1990
IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT
MR JUSTICE MORRITT
MONDAY the 3rd day of DECEMBER 1990

IN THE MATTER OF THE PELICAN GROUP PLC
and
IN THE MATTER OF THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Chancery Division) dated 3rd December 1990 confirming the reduction of the capital of the above-named Company from £1,500,000 to £1,440,000 and the Minute approved by the Court showing with respect to the capital of the Company as altered the several particulars required by the above-mentioned Act were registered by the Registrar of Companies on 10th December 1990.

DATED this 11th day of January 1991.
Mishcon de Reya
125 High Holborn
London WC1V 6QP
(Ref PBS/HGP)

Solicitors for the above-named Company

CRAFT AND MANAGEMENT TRAINING (UK) LTD (FORMERLY C & M TRAINING (UK) LIMITED AND W E J TRAINING LTD)

Registered number: 1998548
Former company name(s):- C & M Training (UK) Ltd and W E J Training Ltd
Nature of business: Training Services
Trade classification: 41
Date of appointment of joint administrative receivers. 2 January 1991
Name of person appointing the joint administrative receivers; Barclays Bank PLC
JOHN FREDERICK POWELL and DAVID ROBERT WILTON
Joint Administrative Receivers
(Office holder nos 249 and 292)

Cork Gully
43 Temple Row
Birmingham B2 5JT

COLMORE DEPOT LIMITED

Registered number: 349895
Nature of business: Motor Dealership
Trade classification. 19
Date of appointment of joint administrative receivers: 21 December 1990
Name of person appointing the joint administrative receivers: Midland Bank Plc
JOINT FREDERICK POWELL and DAVID ROBERT WILTON
Joint Administrative Receivers
(Office holder nos 249 and 292) of Cork Gully
43 Temple Row
Birmingham
B2 5JT

PUBLIC NOTICES

MMC INVITES EVIDENCE AND VIEWS ON THE ACQUISITION BY SOCIETE NATIONALE ELF ACQUITAINE OF CERTAIN ASSETS OF AMOCO CORPORATION.

The Monopolies and Mergers Commission is inquiring into the acquisition by Societe Nationale Elf Acquitaine of Amoco UK's businesses for the refining of crude oil and marketing of petroleum products, to determine whether or not such acquisition might operate against the United Kingdom public interest.

The Commission would like to hear from those who have information which could help the inquiry, and from those who have views on the acquisition. Please write by 18th January 1991 to the Reference Secretary (SNEA/Amoco), Monopolies and Mergers Commission, New Court, 48 Carey Street, London WC2A 2JT.

PORTABLE COMPUTERS

The FT proposes to publish this survey on
8 February 1991.
It will be of particular interest to the 16.8% of Senior Businessmen across Europe, and the 18.7% of all Businessmen in the UK, who make decisions concerning the purchase of Personal/Micro Computers and Systems.

If you want to reach this important audience, call Meyrick Simmonds Tel 071 873-4540 or Fax: 071 873 3062.

FT SURVEYS

COMPANY NOTICES

BRADFORD & BINGLEY
BUILDING SOCIETY

£150,000,000
Floating Rate Notes Due 1997

In accordance with the terms and conditions of the Notes, the interest rate for the period 10th January, 1991 to 10th April, 1991 has been fixed at 14.04875% per annum. The interest payable on 10th April, 1991 against Coupon 2 will be £346.41 per £10,000 nominal.

Agent Bank
ROYAL BANK OF CANADA

ART GALLERIES

THE LONDON · ORIGINAL · PRINT FAIR

AT THE ROYAL ACADEMY OF ARTS
FRIDAY 11-MONDAY 14 JANUARY
11AM TO 6PM

FIVE CENTURIES OF FINE PRINTS
· FOR SALE ·
TEL (071) 734 3242

ALLANS GALLERY

- Hand Embroidered Silk Pictures. Cat lovers you must try to call and see 'Aristocrats' our limited editions collection of Pedigree Cats; definitely collectors pieces. Lower Ground Floor.

Allans Famous Silk Shop,
56/58 Duke Street,
Grosvenor Square,
London W1M 6HS.
Mon-Fri 9-5.45, Sat 9-1.
Tel: 071-629 3781.

Britain's Food Safety Act obliges companies to prove that their quality control procedures are first rate. **Della Bradshaw** examines the latest tests

A commitment to healthy eating

There is a legendary tale in the UK food manufacturing industry. In 1974 Smedley's, the UK tinned food producer, found itself in court because a hawk-moth was discovered in a tin of garden peas. The hearing enthralled the food industry because Smedley's defence centred on its excellent quality control procedures.

Although the courts accepted the company's argument on quality control, the House of Lords ruled that Smedley's was guilty because the hawk-moth was there.

Today such a defence could well get a company like Smedley's off the hook. With the introduction of the Food Safety Act in Britain this month, food companies caught in the same situation can now successfully defend themselves by demonstrating that they have taken all reasonable precautions and shown "due diligence" in manufacture – but just what due diligence means has still to be determined in court.

Although viewed by many outsiders as a loophole for food processing companies, many of those to which the legislation refers are "terrified", says David Edwards, operations director of the Food Hygiene Bureau, a commercial test house and training organisation. "They see the new law as an extra commitment, not an extra defence," he says.

The topic now taxing the food manufacturers is both how to ensure quality in the sourcing and manufacturing processes and how to demonstrate that adequate procedures are in place should the need arise. To do this companies are looking at technologies within the context of overall quality procedures.

Top of the shopping list for many companies are rapid biological tests to determine whether bacteria are present in the food manufacturing chain. Many of today's tests involve sending away samples or growing them in a laboratory. By the time a problem is discovered the food could be on supermarket shelves.

"Everyone wants tests that will give you a result within the working day," says Terry Roberts, head of microbiology at the Institute of Food Research's Reading laboratory. Such tests are not yet available – rapid tests to identify specific organisms which cause salmonella, for example, are unlikely to be available for several years.

Others companies are looking to computer systems to help them keep the appropriate records. The software industry, however, has been relatively slow to take up the challenge of the food industry, says John McGrann, managing director of software house Pace, of Moira, Northern Ireland. He points out that the food industry throws up completely different challenges from most other industries. "In the food industry you take a sheep into a plant and you cut it up – you don't assemble it."

Pace has developed a software package, divided into a series of modules including product specification, auditing and control of suppliers, maintenance and calibration of machinery, and training. "Diligence" was chosen as the name for the product because the software reminds companies about things they must do, says McGrann – such as when to visit a supplier or when to carry out maintenance on a machine.

Most manufacturers now see these sort of techniques as an aid in a much wider quality recording system. The British Standards Institution's BS 5750 certification, originally developed for the engineering industry, has been adapted for food processing companies, monitoring such things as processes, machinery and training.

An assembly line worker brushes up on diligence

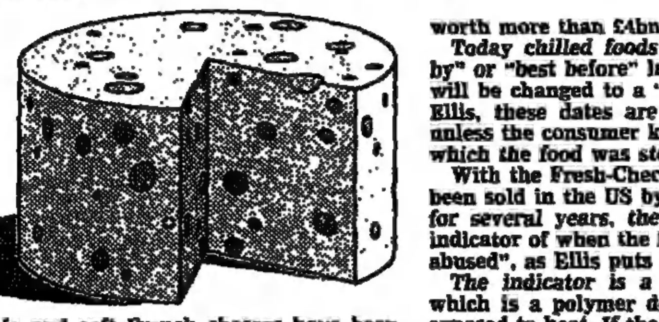
To date, however, less than 100 companies out of the thousands of UK food producers have been certified under the scheme, says Paul Bidder, consultant in the manufacturing advisory service at the Leatherhead Food Research Association. And cynics point out that even accreditation to the British standard may not prove a suitable defence in law. They say that BSI certification ensures consistency in production – and ensures the manufacturer does what it says it is going to do – rather than ensuring that the product is wholesome.

Other companies, particularly smaller ones, are looking at more specific testing procedures such as the hazard analysis and critical control point tests (HACCP), which focus on the most critical element of a food process and ensure that it is carried out correctly – heating the produce to the right temperature might by the critical element of a canning process, for example.

With the onus in the new act on manufacturers to ensure the quality of ingredients, as well as the quality of finished food items, large manufacturers with quality procedures in place are now turning their attention to their suppliers. "There is certainly evidence that certain people are asking the question of their suppliers," reports Bidder.

Biscuit-maker the McVitie's Group, for example, is now laying down procedures to require suppliers of their potentially most hazardous products to adopt the HACCP procedures, says John Dripps, McVitie's quality assurance manager. High on the list of such products are those which are not cooked – fillings or chocolate coatings.

The legislation even puts an onus on the manufacturer to check their "food sources" – which at the end of the chain means the farmers that grow the vegetables and rear the animals.



Pâtés and soft French cheeses have been castigated by some scientific experts in Britain as harbingers of food poisoning. But in France one supermarket chain is ensuring that the canny French consumer can buy products at their pungent best.

Monoprix now insists that suppliers of seven dairy and five meat products use a US tagging system designed to reassure the consumer that the food has been stored at the right temperature. If the storage temperature has been too high, the label changes colour.

Tony Ellis of Chill Fresh, the company marketing the Fresh-Check indicators in the UK, believes that the British consumer wants the same kind of check for chilled foods. The chilled food market – everything from milk and yoghurt to smoked salmon and chicken – was worth more than £4bn in the UK in 1990.

Today chilled foods have to display a "sell by" or "best before" label. (From April 1 these will be changed to a "use by" date.) But, says Ellis, these dates are "completely irrelevant" unless the consumer knows the temperature at which the food was stored.

With the Fresh-Check indicators, which have been sold in the US by manufacturer LifeLines for several years, the consumer has a visual indicator of when the food has been "thermally abused", as Ellis puts it.

The indicator is a circle in the centre of which is a polymer dot, which darkens when exposed to heat. If the central dot is lighter, or the same colour as, the outer circle, then the contents are fresh. If the central dot is darker, then the packet should be left on the shelf.

The layers of polymer can be altered using a computer model to tailor the indicator to the type of food. A more sensitive polymer is used on foods which degrade rapidly, where ones with a longer shelf life – cooked ham, for example – would use a more rugged chemical cocktail. When bought in bulk, the indicators cost about 3p each.

In the UK Ellis believes two major food retail chains could soon adopt the Fresh-Check indicators. In France, now that Monoprix has adopted the system, Ellis believes the marketing advantage it will bring will force rival chains to label their salami and brie.

WORTH WATCHING

by Della Bradshaw

Confessions of a flying video

MANY a schoolboy has had hours of fun flying his radio-controlled toy aeroplane. Now a giant version of the machine is available to do everything from sorting out traffic jams to spotting forest fires.

The Vanguard unmanned twin-engine air vehicle, developed by Electronics & Aviation Systems, of Rehovot, Israel, and also marketed by International Economic Strategy, of Antwerp, Belgium, has a 3.24 metre-long fibreglass fuselage.

For use in traffic monitoring, the Vanguard has a video camera built into the nose. The video information is sent to the ground control unit for monitoring traffic density or even recording licence plates.

Installing infra-red cameras on the vehicle could help oil or mineral companies spot geo-physical differences in the landscape. Or they could even identify ivory poachers sneaking across boundaries with their booty at night.

The Vanguard system costs up to $2m (£1m) for a computerised ground control unit and four aeroplanes.

Hiding unsightly bar codes

BAR codes have now found their way on to almost everything we buy, but the black and white symbols can look unsightly on expensive packaging – such as cosmetics – or prove difficult to find on larger food packages in the supermarkets.

To overcome these problems Battelle, of Columbus, Ohio, the independent research organisation, has developed a bar code system that uses invisible ink, thereby maintaining the visual impact of expensive packaging. In addition, it can be used on every side of packages to make it easier for the supermarket assistant to put the product through the scanner at the check-out counter.

The technology uses a specially developed invisible ink and ink-jet printing technology to apply it. Once in place, the bar code is read by infra-red sensors.

Battelle has licensed Accu-Sort Systems, of Telford, Pennsylvania, to incorporate the technology into a range of fixed systems, to be used in areas such as inventory control. It is now looking to exploit the invisible infra-red bar code technology for hand-held systems.

PC with a very good address

PERSONAL computers and printers, costing thousands of pounds, are most frequently used to generate correspondence, writes Paul Lavin. But in spite of the investment, many envelopes still get addressed by hand.

The technology gap occurs because envelopes are difficult to feed into most personal computer printers.

In response the American division of Seiko, of Japan, has created the Smart Label Printer. Less than seven inches long and weighing less than a pound, it holds a roll of 130 self-adhesive thermal printer labels.

The printer comes complete with software that can automatically capture an address displayed on a PC screen and churn out a label in about 10 seconds. It can be attached to an IBM PC or Apple computer in minutes.

Light fitting has a personal touch

A SELF-CONTAINED light fitting which adjusts to daylight, and switches itself on and off when people enter a room, has been developed by Thorn Lighting, of London, writes Lynton McLain.

The Sensa fitting contains two 40W fluorescent tubes, a photo-electric cell to monitor the surrounding light and a passive infra-red switch to detect the presence of people in the room.

The fitting compensates for daylight by switching itself off or lowering the intensity of light emitted. It also switches off when it detects that nobody has been in the room for 10 to 15 minutes.

With these features, the fitting can cut energy consumption by up to 60 per cent, according to Thorn.

Little card packs a big punch

THE Japanese trick of packing more and more into a smaller space has been demonstrated again by Mitsubishi Electric with its latest semiconductor packaging technology for smart cards – the credit card-sized plastic cards used to store data, especially for portable computers.

Mitsubishi has announced the development of a chip packaging technology to double the capacity of today's cards. The paper-thin packaging (PTP) technique enables the company to stuff two double-sided printed circuit boards into the card, where previously there was only room for one.

When the first PTP card is commercially available in 1992 it will contain 4 Megabytes of information, but Mitsubishi expects a 48 Mbyte card – which could hold up to 10m words – to be on the market shortly after that.

Next generation remembers last

DUTCH consumer electronics company Philips is using this week's consumer electronics show in Las Vegas to launch what it hopes will be the next generation of audio cassette technology.

It has developed a tape player which can handle both digital tapes and conventional cassettes. So the digital compact cassette (DCC), as it is called, gives the consumer both the digital sound quality of compact discs, while ensuring that existing analogue cassettes can be played on the same machine.

Japanese manufacturers, on the other hand, have opted for digital audio tape (Dat), which uses a smaller player and cassette than today's analogue recorders.

In spite of this week's debut, machines will not be available until next year.

Contacts: Electronics and Aviations Systems: Israel, 8 404690. International Economic Strategy: Belgium, 03 232 79 09. Battelle: US, 614 424 5754. Accu-Sort: US, 215 723 0981. Seiko: US, 201 529 5730; UK, 0628 770001. Thorn Lighting: UK, 081 366 1166. Mitsubishi: Japan, 03 3218 2111. Philips: Netherlands, 40 736 106.

The steps needed to create change

By Christopher Lorenz

Most chief executives believe that corporate change programmes will only succeed if they start at the top. The truth is exactly the opposite: effective corporate renewal must begin at the bottom.

This is the controversial conclusion that three American academics have drawn from a four-year study of organisational change at six large corporations. Its results are reported in the Harvard Business Review* by the trio, Michael Beer, Russell Eisenstat, and Bert Spector.

Most senior managers in the US, complain the academics, share two entirely fallacious assumptions about the management of change. First, that organisations can be transformed by the promulgation of company-wide initiatives such as mission statements, "corporate culture" programmes, training courses, and new pay-for-performance systems. Second, that employee behaviour is changed by altering a company's formal structure and systems.

In corporations where change programmes have been successful, the academics report, they have usually started at the periphery, in a few plants and divisions. And they have been led by the general managers of those units, not by the chief executive or by corporate staff – whether by the "human resources" function or anyone else.

This is not to say that change can never start at the top, the researchers argue, "but it is uncommon and too risky as a deliberate strategy. Change is about learning. It is a rare CEO who knows in advance the fine-grained details of organisational change that the many diverse units of a large corporation demand".

Once senior management does become involved, its most effective role is still not to try to mandate corporate renewal from the top, the academics argue. Instead, it should create a climate for change, and then spread the lessons of grass-roots successes and failures.

Excessive or misguided top involvement is not the only trap to avoid, according to the study. It also found that most programmes failed because they were guided by a mistaken theory of change: that the way to alter behaviour is first to change people's knowledge and attitudes.

In fact, the academics say, the most powerful way of changing individual behaviour is to give people new roles, responsibilities and relationships in a new organisational context. This creates a situation which forces new behaviour on people, thereby changing their attitudes.

This is not to say that new competencies are unnecessary, stress Beer, Eisenstat, and Spector; improved analytical and interpersonal skills are vital if an organisation is to change, they point out. So is teamwork between departments, and between employees and management.

The academics suggest that a sequence of several overlapping steps will help create effective change. They include:

- Mobilise commitment to change through collaborative (with employees) diagnosis of business problems;
- Develop a shared vision of how to organise and manage more effectively. Lead employees towards a "task-aligned" vision of the organisation which defines new roles and responsibilities, both within and across interdependent functions;
- Foster consensus for that vision, including by replacing managers who cannot function in the new organisation;
- Spread revitalisation to all departments without pushing it from the top – instead, let each find its own way to implement teamworking, for instance;
- Then institutionalise the changes through formal policies, systems and structure;
- Finally, monitor and adjust solutions as problems arise.

"The purpose of change is to create an asset that did not exist before – a learning organisation capable of adapting to a changing competitive environment," comment the academics.

HBR Nov-Dec 1990. Reprint No 90601. An associated article on corporate renewal appeared on January 9.

Looms with an uncertain view

Peter Montagnon reports on the extra dimensions to the already slimmed down wool textile industry's problems

Money can scarcely buy wool cloth of a better quality than the bale of charcoal grey cashmere proudly displayed in the lobby of Taylor & Lodge, the Huddersfield weavers. It costs £150 a metre and, until recently, there was a ready market for it in Japan where it would be made into suits costing Yen 1m or over £4,000 apiece.

Suddenly, however, even this export-oriented niche player in the wool textile business has hit upon hard times. The high pound, the Gulf crisis and a slowdown in the lucrative Japanese market has caused a fall-off in orders. Since Christmas its 106 staff have effectively been put on half-time working.

Even though wool textiles is a worldwide market which should to some degree be insulated from a domestic recession, Taylor & Lodge is not alone.

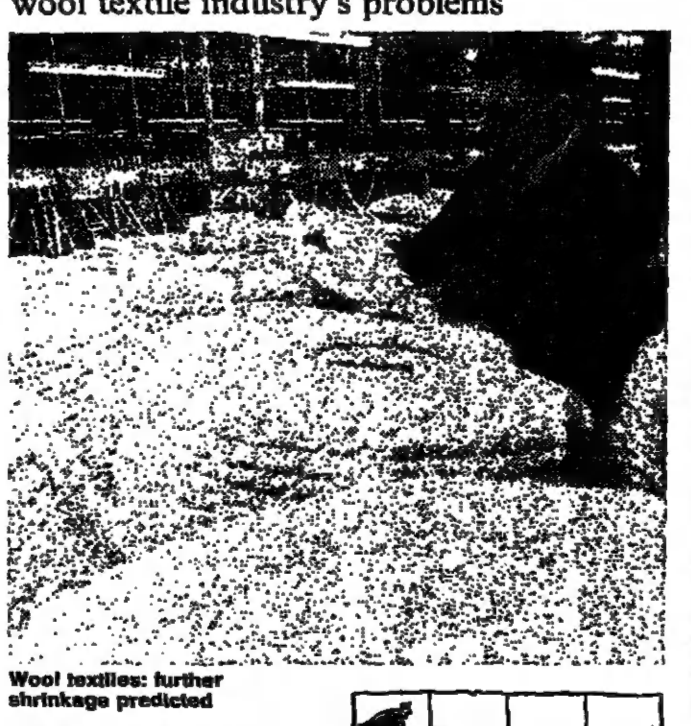
Figures from the Confederation of British Wool Textiles show that output in the Yorkshire spinning and weaving industry fell by some 10 per cent in the first 10 months of 1990 and exports fell by 11 per cent to £508m. Around 300 jobs were lost in a workforce that now numbers some 26,100.

This was before the latest spate of announcements which included the voluntary liquidation of the Brackendale Spinning Company of Thackley with the loss of 60 jobs.

A further 127 jobs are to go at William Edlestone of Sowerby Bridge which went into receivership just after Christmas. Blaming the erosion of its customer base in the clothing industry, Thomas Burnley of Gommershall is closing its Yorkshire plant this month with the loss of 245 jobs and consolidating its operations in Northern Ireland where subsidies are more readily available.

Executives in the wool textile industry, which is dominated by small privately-owned mills, view this wave of troubles with a mixture of bravado and alarm. Having slimmed down and invested in new technology since the last recession ten years ago, many think they should be well-placed to ride out the present storm.

What worries them, however, is that their present problems are almost entirely outside their own control and the recent spate of closures shows that there is not much room left for further adjustment. They say they now deserve more sympathetic treatment from government.



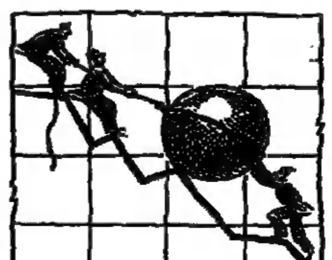
Wool textiles: further shrinkage predicted

Ten years ago, says John Walsh, managing director of Abraham Moon, there were seven mills in the Bradford suburb of Guisely. Now there is only his firm left.

Adds John Ward of Thomas Carr, the real shake-out in the wool textile industry occurred in the 1970s and early 1980s. The mills that are left are no longer as labour-intensive as they used to be. They are capital-intensive too. That means that high interest rates are as much of a problem, if not more so, than labour costs.

According to Gordon Kaye, managing director of Taylor & Lodge, the first half of 1990 looked like being a record. But then in the summer the Gulf crisis hit, depriving the company of its important market in Kuwait. Potential sales lost there amount to some £150,000 to £200,000.

This is a large amount for a company with annual turnover of around £5m. Since the Export Credits Guarantee Department has not yet paid any claims, his company has had to finance the unsold stock at an interest rate of 16 per cent.



MANAGING IN RECESSION

On top of that has come the strengthening of the pound against the Japanese Yen and the dollar. A rate of some Yen 260 to the pound has squeezed margins on sales to Japan.

Although the company does not sell much into the US, it is affected by the high dollar rate as the currencies of other Far Eastern markets are linked to the dollar.

In South Korea, where there has recently been a campaign against luxury foreign imports, Taylor & Lodge has experienced a range of non-tariff trade barriers. Getting consignments through customs has become more difficult and delays can extend to weeks or even months.

Almost universally, executives in the wool textile industry say their problems have been compounded because the UK entered the European exchange rate mechanism at too high a rate. When setting economic policy in far-off London, the government is all too ready to ignore their problems, they say. In trade matters too, it is slower to offer support than that of Italy, the industry's main competitor.

Privately some executives complain that the retailing background of Tim Sainsbury, trade minister, means that he does not understand their problems as manufacturers.

They insist that they are not calling for more protection – and indeed would welcome an agreement in the Uruguay Round trade talks to unwind the Multi-Fibre Arrangement that governs trade in textiles.

Such an agreement would provide an opportunity for cutting the high tariffs imposed by the US on textile imports and for measures to curb dumping by foreign producers like Mexico and Turkey. No sector exports as much to Japan as does the wool textile industry, says Kaye, "but we're looked upon as a poor relation, an old-fashioned industry. We're shoved into the corner."

Finding a way of promoting a better image for the textile industry has become all the more important in the current recession. Ward complains that even some clearing banks have become prey to the short-termism that prevails in the City. Herd instinct has led them to restrict their lending even with the security of an ECGD insurance policy.

Apart from that, the wool executives say, there is not much they can do except try harder. Abraham Moon's Walsh says he is not planning to lay off any of his 150 employees, but margins have become "very tough".

In the longer term, he says, even the survivors could end up weakened. A smaller industry means that training opportunities will disappear and the infrastructure on which the mills depend, for example for the installation and servicing of plant and equipment, will simply wither away.

Previous articles in this series were published on November 21, 30, December 4, 14, 18 and 31.

Taking innovation to the customer

Simon Holberton on a Xerox experiment

Xerox, the US office equipment manufacturer, is turning market research on its head. Traditionally, a marketing department uses market research to analyse where the probable demand for a product is likely to come from and why. Now, however, Xerox is first taking its technologies to its customers so that it and they can together develop products virtually a priori.

Known as "innovating with the customer", Xerox's corporate research group is experimenting with an initiative called the Express Project. This is an experiment designed to commercialise more rapidly technologies developed by the company's Palo Alto Research Centre (PARC).

According to John Seely Brown*, the director of PARC, one such project has brought together in a single organisation a small team of Xerox researchers, engineers, and marketing people with employees of Syntex, a local pharmaceutical company.

From this cross-fertilisation of talent, the team defined Syntex's key business needs and the PARC technologies that could best be used to meet them. They worked on prototype solutions – one is known as "forms receptionist".

Its aim is to tackle the data management and analysis of more than 300,000 case reports that Syntex's 1,000-plus researchers on new drugs put up for approval by the US Food and Drug Administration.

"It combines technologies for document interchange and translation, document recognition, and intelligent scanning to scan, sort, file and distribute Syntex's case reports," writes Brown. "For Syntex, the new system solves an important business problem. For Xerox, it is the prototype of a product that we eventually hope to offer to the entire pharmaceutical industry."

The Xerox-Syntex collaboration was put onto videotape and is now being subjected to a study by another research team at PARC to see what lessons can be learned about co-production. The early ones will be all too familiar to companies which have embraced cross-functional teamwork as a management method.

Says Brown: "One of the most interesting lessons we've learned from the Express Project so far is just how long it takes to create a shared understanding among the members of such product teams – a common language, sense of purpose, and definition of goals. This is similar to the experience of many inter-functional teams that end up reproducing inside the team the same conflicting perspectives the teams were designed to overcome in the first place."

Xerox's work with customers is presented by Brown as just one way, although a very important one, in which the company is trying to think about and organise itself for the future. With the plummeting costs of computing power he envisages a workplace where sophisticated technology is ubiquitous – allowing people to tailor technology to meet their specific needs and technology companies to offer "mass customisation".

"The emphasis, however, is not on the technology itself but on the work practices it supports. In the future, organisations won't have to shape how they work to fit the narrow confines of an inflexible technology. Rather, they can begin to design information systems to support the way people really work."

Brown says that some of the most important work being done at PARC is by anthropologists. Work studies at PARC showed that when office workers were asked what they did, they would describe what was required of them in terms of their job manual. The anthropologists, however, observed that they relied "on a rich variety of informal practices that weren't in any manual but turned out to be crucial to getting the work done".

He describes this improvisation as "local innovation". Big companies, he argues, have the potential to be remarkably innovative if they can capture this and learn from it.

Research that reinvents the corporation, Harvard Business Review, January-February 1991. Reprint no: 91101. For copies, fax: (The Netherlands) 31-3433-1910.

Shafts of light break through the gathering gloom

By Vanessa Houlder

Perhaps the best that can be said so far about 1991 is that it promises to be unforgettable. Rarely has the industry started a year with such intimations of doom, [illegible] pundits predict plummeting values, receiverships and redundancies.

The gloom [illegible] not universal, however. Developers, investors, bankers and agents are reflecting a spectrum of opinion, not undiluted desperation. Broadly speaking, they divide into optimists who think that lower interest rates will herald the bottom [illegible] the cycle this year, pessimists who think [illegible] problems are [illegible] intractable [illegible] be solved by lower interest rates and pragmatists [illegible] expect to find opportunities [illegible] in a [illegible] market.

First, here are a few reasons to be (relatively) cheerful.

Mr David Hunter of Scottish Amicable thinks property, with [illegible] moderately secure income stream, will appear fairly robust in relation to equities which will suffer dividend cuts. "I [illegible] my hat to the courage of people sitting on funds without any exposure to property," he says.

He makes the point [illegible] the UK is not a uniform market. Although business parks to the west of London and shopping centres may be in crisis, other areas such as high street shops are attractive, he says.

He predicts that political considerations will necessitate a fall in interest rates to 12 per cent. That may trigger an economic upturn but it will also make property yields look exceptionally high.

Mr [illegible] Schiller, head of research at Hillier Parker, the chartered [illegible] argues a similar case in support [illegible] turnaround in the investment market (although he is still wary about the occupational market). "If we [illegible] interest rates coming down by two to three points by late summer it should be enough [illegible] make yields at the current [illegible] sustainable. [illegible] see that we have reached bottom there is no point in holding back," he [illegible].

He concludes that "1990 [illegible] too soon [illegible] buy and [illegible] late to sell. Nineteen ninety-one will be [illegible] time to consider when [illegible] buy".

Mr Michael Slade of Helical Bar also expects the rot to stop in 1991, although he does not believe any improvement will [illegible] apparent until the middle of next year. "Smart money moves in and out of the market before the swing [illegible] the cycle. [illegible] have 18 months of buying time.

"It [illegible] going to be a lot worse than [illegible] thought it would be. But those who are not firefighting and those who have liquidity will be able to take the opportunities that undoubtedly will come," he says.

[illegible] too is selective. He tips retail property and is [illegible] on developing south-east industrial [illegible]. However, he believes oversupply will depress the office [illegible] market for a further [illegible] or three [illegible].

Mr Slade's concern about [illegible] supply is shared by Mr Chris Walls of Salomon Brothers, the investment bank, who scoffs at the idea that lower [illegible] will solve the office market's problems. "Historically there is little or no correlation between [illegible] of [illegible] and yields. In [illegible] far [illegible] yields are determined by rational analysis, they are determined [illegible] investors expectations [illegible] rental growth. If you are going to see a significant fall in rents over the next 12 to 18 months I see no logical reasons why yields should harden." In the same period, he expects City [illegible] to drop 20 to [illegible] per cent with falls in [illegible] of 15 [illegible] 25 per cent.

Mr Geoff Marsh of Applied Property Research also takes a grim view of the central London market. "To interpret the current situation as simply another cycle is to miss the big picture," he says. The central London office market is now due for a radical restructuring where the balance of power shifts in favour [illegible] tenant in the long term, he argues. Prospective occupiers are waiting for offers that cannot be refused, perhaps including [illegible] by [illegible] developer [illegible] a tenant's existing leases.

This view [illegible] shared – to a point – by Mr Nigel Wilson, finance director of Stanhope. [illegible] argues that, [illegible] let space, a developer [illegible] have [illegible] assume an "economic obligation". This could happen, for example, by giving indemnities about existing leases, he [illegible]. The exceptions will be good locations, [illegible] is still a great deal of tenant demand – from accountants, solicitors and privatised industries. "There will [illegible] a lot [illegible] movement in the property market if developers are prepared to be more flexible," he [illegible].

That flexibility may extend [illegible] where [illegible] 25-year, upwards-only rent review [illegible] could give [illegible] to shorter [illegible] with index-linked rents and ceilings on reviews. "This may be the year that the lease structure changes," says Mr Wilson.

The ingenuity required by [illegible] developer in attracting tenants will probably be matched by [illegible] required to raise funds during a liquidity squeeze. Mr Wilson, who is negotiating six transactions [illegible] £100m or more, says [illegible] is confident [illegible] them. However, it [illegible] necessary [illegible] higher [illegible] and negotiate harder to [illegible] a deal. Relationship banking is making a comeback, he says. He also expects to carry out more transactions with European banks.

Now that funds are more difficult to obtain, pioneering techniques, such as the convertible mortgage, will come into their [illegible] he [illegible]. "Just as innovations in leasing will create liquidity, innovations in banking will create liquidity," he says.

Mr Peter Scott, corporate finance director [illegible] property and [illegible] tion [illegible] Barclays Bank, says that [illegible] banks, including his own, are still prepared to finance attrac[illegible] deals proposed by [illegible] ments with good records. Those deals, however, are more likely to involve investment finance.

He considers the market conditions poor compared with the 1970s, although the financial position [illegible] companies [illegible] to [illegible] more [illegible] of lower gearing and techniques [illegible] as hedging.

Barclays, he [illegible] a policy [illegible] stand by its customers. "It is not in anyone's interest to be precipitate," he says. That said, he points out there were a number of receiverships last year particularly among unquoted companies and the small[illegible] quoted companies [illegible] may well continue.

Mr Norman Bowie, an honorary fellow of [illegible] of [illegible] ment, who has a longer perspective than most, [illegible] one of the [illegible] of all [illegible]. Having started work in [illegible] depression [illegible] the 1930s, he is [illegible] veteran of five property cycles. In his view, oversupply and the [illegible] [illegible] worldwide recession [illegible] an increasingly international industry point [illegible] downturn for the property market. "In [illegible] it could be as nasty as 1973-4 and [illegible] bit more prolonged," he [illegible].

Long-term [illegible] also eroding values, [illegible] thinks. The underperformance of property compared with equities [illegible] couple of decades suggests property yields are not high enough. The tendency for modern buildings to become obs[illegible] more rapidly, the growing number of cars, and the electronic revolution, all [illegible] which [illegible] dispersal, [illegible] also undermining property values.

[illegible] Scott: financing available for managements with good [illegible]

TOTAL RETURNS [illegible]

	Retail	Office	Industrial	All Properties
Year to Nov '90	-7.1	-7.4	-1.8	-6.3
Quarter to Nov '90	-1.8	-3.4	-1.4	-2.4
Month of Nov '90	-0.6	-1.4	-0.8	-1.0

Source: Investment Property Databank

هكذا من الأصل

All Things Nice

ROYAL COURT THEATRE

There is a story about an old lady who called in the police because she said that the man across the road was committing indecent exposure in his front room. The policeman could find nothing improper and told her so. "Oh yes," she said, "if you stand on a chair and look over the top of the curtains, you can see him perfectly well."

The tale came to mind at the opening of Sharman Macdonald's *All Things Nice* at the Royal Court. Ms Macdonald has an obsession with sexual exposure. In particular, she has an obsession with exposure to young girls growing up, especially when it comes from the parents. But Ms Macdonald is not – one would guess – an ordinary decent lesbian. Indeed she may not be homosexual at all. Her characters frequently say that they do not like men, but they also succumb to them and some of them admit that they cannot live without them.

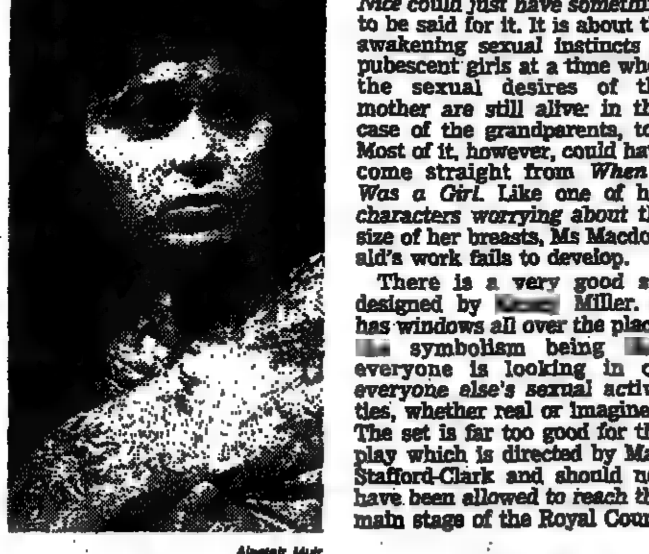
Take this line from one of her earlier plays, *When We Were Women*: "Men are children. Take that to your heart and keep it there. In pain we bear them. God's cursed we are. And pain they give us the long night through." Then take this one from the mother in *All Things Nice*: "I can't do without men, and that's a fact." There are are plenty of other lines like that.

In short, Ms Macdonald seems to be thoroughly mixed up about sex and attaches too much importance to it. She has other obsessions. In no particular order, they include smoking, drink, vague references to God, a tendency to bring in hymn-singing, popular and folk music, and an attachment to Scotland somehow juxtaposed to the Trucial States where *All Things* is jointly set.

If that sounds a harsh judgement, it is worth taking her work together. [redacted] in *All Things* [redacted] is pretty clearly [redacted] to [redacted] one in *When I Was a Girl, I Used to Scream and Shout*. The mother in the earlier play was about to take off for the Trucial States, but held back when her 15-year-old daughter became pregnant – largely in a fit of pique about her mother's impending departure. This time the mother makes it to the swimming pools of the Gulf and all. Much good does it do her: she might just as well have stayed on Clydeside.

Seen in isolation, *All Things Nice* could just have something to be said for it. It is about the awakening sexual instincts of pubescent girls at a time when the sexual desires of the mother are still alive: in this case of the grandparents, too. Most of it, however, could have come straight from *When I Was a Girl*. Like one of her characters worrying about the size of her breasts, Ms Macdonald's work fails to develop.

There is a very good set designed by [redacted] Miller. It has windows all over the place, [redacted] symbolism being [redacted] everyone is looking in on everyone else's sexual activities, whether real or imagined. The set is far too good for the play which is directed by Max Stafford-Clark and should not have been allowed to reach the main stage of the Royal Court.



Alastair Muir

Joanna Roth

Malcolm Rutherford

Mattinson, Shorr

PURCELL ROOM

Wednesday's evening recital in the [redacted] Park Lane Group series of "Young Artists and 20th-Century Music" [redacted] shared between two interesting performers, each with [redacted] ideas about their chosen music. The bass-baritone David Mattinson is [redacted] on [redacted] October garnered [redacted] BP-Peter Pears Competition. On that [redacted] – admittedly, in [redacted] unfriendly environment of Sadler's Wells – I thought him an exceedingly implausible first-prize-winner. In the relatively greater intimacy of the Purcell Room, and with Clare Toomer a piano-partner rock-solid in support, his strengths [redacted] able [redacted] register rather more forcefully.

Mattinson is a personable, confident, intelligent singer, good with [redacted] – in Jonathan Harvey's youthful (1965), attractive *Four Songs of Yeats* his English utterance was full of pith and point, and in [redacted] takovich's magnificently spare and death-haunted *Suite of* [redacted] *of* [redacted] he gave [redacted] impression of delivering the Russian rather than merely pronouncing it.

He's [redacted] to nuances that can spin off from words into [redacted] vocal writing, and when [redacted] under pressure he can colour and phrase with [redacted] good [redacted] of individual [redacted], but whenever the line rises in pitch and volume, his technical weaknesses – limited tonal [redacted], a top dangerously [redacted] and savourless – become immediately and cruelly apparent, straitjacketing his expres[redacted] insights. It's [redacted] indeed that [redacted] young man of [redacted] much evident talent [redacted] willing to exhibit himself in public in this obviously unfinished state.

Aaron Shorr, the American pianist who divided the evening with Mattinson, presents a much more "finished" impression. He chose first a severe test of platform control (as well as audience patience), Book 2 of George Crumb's tricksy, pretty-pretty *Makrokosmos* piano pieces, and later Steve Martland's *Kgakala* (1982), a diffuse not-quite-sonata appealingly flavoured with popular reminiscences. In both the pianist's cogent sense of musical shape and substance were unflappable; he kept the attention taut in a way that betokened real authority.

Max Loppert

Vulnerable gods behind those enigmatic smiles

Susan Moore reviews Khmer sculpture in Paris and Old Master drawings from Venice in London

The [redacted] sub[redacted] of Passy [redacted] long way from [redacted]. *In the* 16th arrondissement, however, [redacted] in [redacted] Guimet, rests the greatest collection of Khmer sculpture outside the Cambodian *capital or* its former site at Angkor. This Oriental [redacted] of litmus [redacted] to France's colonial [redacted] the [redacted] *try's burgeoning* [redacted] and [redacted] – phenomena comparable to the V&A's magnificent holding of Indian [redacted] and [redacted] British high [redacted].

It [redacted] probable [redacted] Khmers originated [redacted] India, importing [redacted] adapting their [redacted] religion and culture. They [redacted] in the [redacted] century [redacted] nant [redacted] in [redacted] half [redacted] millennium. Their legacy is the complex of temples and sculpture known [redacted] cally [redacted] Angkor; [redacted] would be [redacted] exaggeration [redacted] one [redacted] the [redacted] of [redacted] – [redacted] gravely [redacted].

The colossal royal funerary temple of Angkor Wat [redacted] its name to a [redacted] of [redacted] temples stretching over some five centuries and out across some [redacted] square miles. *Built in* 1112-82, it [redacted] a contemporary of [redacted] Romanesque [redacted] of Northern Europe. [redacted] perimeter wall runs *for* [redacted] *than 10km*; inside, long galleries and courtyards rhythmically rise via a [redacted] of platforms [redacted] the tallest soaring [redacted] the height of the tower [redacted] Dame in Paris. [redacted] *carvings depicting* [redacted] run for [redacted] ing contemporary European sculpture into [redacted] deepest shade.

The stark interiors of the Guimet provide a compelling backdrop to its collection of architectural fragments and freestanding sculpture. (Only the gods were deemed worthy of stone; Khmer wooden cities and day to day paraphernalia has long since perished.) At the heart of the museum is a *high, top-lit gallery devoted to* the pre-Angkor period [redacted] offers [redacted] major and *exquisite* [redacted] *as one of* [redacted] red sandstone pediments [redacted] 10th century *Banteay Srei*. It may depict an episode from the Indian Ramayana, but the *energy and the narrative vig*[redacted] already distinct.

A [redacted] deity – [redacted] – [redacted] Rup is a *glorious creature, the* stone of his torso and head pol[redacted] silvery grey [redacted] to the unpolished stone of the sarong's *crisp folds and the description* of his intricate metalwork crown. *All around*, deities cast their enchanting enigmatic smiles, not unlike Archaic Greek statuary.

[redacted] great naga (serpent) [redacted] balustrades of [redacted] royal terrace [redacted] Angkor [redacted] from Preah Khan, [redacted] second, more dimly lit room. Here, too, [redacted] *lintels of delightful apsaras or* voluptuous dancing girls, and ornate window balusters, [redacted] pearl and gem-[redacted] jewellery. Then [redacted] Stygian gloom, with spotlights in the melodramatic style of son-et-lumière – focusing on the sculpture in the style of the Bayon, *the temple of the town* of Angkor Thom built by Jaya[redacted] VII (1181-1201).

Jayavarman, [redacted] convert to Buddhism, [redacted] himself [redacted] *incarnate*, and his great visage, three metres high, [redacted] from [redacted] Victory Gateway of Angkor Thom, and from the 54, 45m-high peaks of the Bayon. [redacted] ravishing pieces in the museum is a [redacted] *of the* [redacted] benign god[redacted] holding court, [redacted] smiling serenely. It is a [redacted] subtlety, and one [redacted] of comparable *quality*.

[redacted] Angkor in [redacted] Penh. Angkor [redacted] an [redacted] naturalist stumbled [redacted] ruins in [redacted]. They were were exceptionally [redacted] preserved save [redacted] strangling effects *of the stone-splitting* [redacted] the silk [redacted]. Over a period of 80 [redacted] archaeologists painstakingly [redacted] cautiously [redacted] *they* [redacted] Angkor, [redacted] trating on Angkor [redacted] and Angkor Thom.

Then came [redacted] and the Khmer Rouge to bloody the illustrious name of its forebears. Pol Pot proved to be an enthusiastic iconoclast. *Some 500 sculptures at Angkor* Wat alone are thought to have been mutilated or stolen during his reign of terror.

Despite rumours which *continue to fly*, the Angkor temples – [redacted] reports [redacted] – [redacted] not [redacted] aged beyond repair. During [redacted] Vietnam war, Khmer pieces flooded [redacted] Western market, [redacted] smuggling [redacted] continuing apace, no doubt due in part to the pitiful [redacted] of [redacted] barely [redacted] enough [redacted] to keep [redacted] alive. [redacted] my visit [redacted] months [redacted] apparently [redacted] gigantic [redacted] from the crouching [redacted] who [redacted] Victory [redacted] Angkor [redacted] have disappeared. [redacted] Antiquaires in [redacted].

Even more hazardous to the venerable monuments are the well-meaning [redacted] ill-informed [redacted] of the [redacted] archaeologists installed by the government to restore Angkor, Cambodia's greatest cultural treasure and tourist trump card. Angkor [redacted] putty colour after it was washed – so I was told – in an [redacted] tion, and the [redacted] bas-reliefs [redacted] badly eroded. The use of PVA [redacted].

A *communiqué* [redacted] by the [redacted] opposition [redacted] meeting in Paris [redacted] UN peace plans, suggests [redacted] there is [redacted] pale hope for a [redacted] Year [redacted]. UN aid [redacted] desperately [redacted] the long suffering Cambodians, as is the UNESCO umbrella to protect their heritage. *Let the* French archaeologists, with [redacted] their research and experience, [redacted] *Passy for* [redacted] on the first available flight.

Jayavarman VII: safely preserved in the [redacted] Guimet

■

Anyone who has ever tried [redacted] of Old [redacted] drawings in [redacted] in Venice will appreciate [redacted]. Happily, however, [redacted] *collec*[redacted] is now being catalogued school by school, published [redacted].

Roman, Tuscan [redacted] Neapoli[redacted] drawings [redacted] display [redacted] and [redacted] scaled-down [redacted] sion of the show was consigned [redacted] *gallery of Edinburgh* University, courtesy of [redacted] Bancario [redacted] Torino, to [redacted] the honorary [redacted] in Fran[redacted] *Cossiga during* [redacted] Italian [redacted] visit [redacted] Britain [redacted] December (which also brought us, courtesy [redacted] Fiat, the great Lion of Venice and its accompanying show at [redacted] Museum). Now it comes south as the first major *drawings* [redacted] Print Room of London University's [redacted] (until January 13).

Within [redacted] three regional schools, [redacted] of drawings [redacted] arbitrary. [redacted] are [redacted] by [redacted] great masters among the 59 on show, but they are more than outweighed by problem pieces, many with *new attributions. Incredible* as [redacted] authorship [redacted] one [redacted] highlights, Michelangelo's fluent [redacted] chalk drawing of [redacted] *Madonna* [redacted] with Three Angels, was once disputed. [redacted] that it [redacted] a [redacted] of other [redacted] graph drawings by Michelangelo were *the work of his* friend and collaborator Sebastiano del Piombo. In fact the *recto* is typical of Michelangelo, and it is the *verso* – the head of an old woman shown here in the form of a photograph – that is both more unexpected and arguably [redacted] more beautiful.

The earliest Tuscan drawing, by the Florentine Quattrocento artist Benozzo Gozzoli, [redacted] another [redacted] the jewels of the collection. The [redacted] *of exqui*[redacted] male heads [redacted] silverpoint and heightened with [redacted] prepared [redacted] makes for an arresting if fugitive *image*, [redacted] one [redacted] violet, and the [redacted].

Figure studies, composi[redacted] sketches, and drawings [redacted] Antique [redacted] throughout the show, as well [redacted] portrait [redacted] (such [redacted] one of [redacted] delightful coloured chalks) and landscapes. *The finest of the latter* [redacted] grand Clande pen [redacted] brown ink drawing, a *modello* for an even grander painting in the Doria Pamphili. A *particular delight is* [redacted] *spirited*, sculptural red chalk figure by Alessandro Algardi, drawn on [redacted] verso of a sheet [redacted] is scrawled a long love poem.

The discreet charms of traditional Kabuki theatre

The recent holiday season in Tokyo offered Kabuki-lovers (even ignorant visiting foreigners) [redacted] of special interest and admirable variety. [redacted] *traditional* [redacted] lovable [redacted] old house in Ginza, the popular actor-manager Ichikawa Enno[redacted] presented his three act, four-hour version of the elaborate 18th century history play, *Yoshitsune Senben Zakura* (The Thousand Cherry-trees of Yoshitsune), concentrating on the section of the play featuring Tadanobu, a brave fox who magically assumes the form of a noble follower of Lord Yoshitsune. The part naturally requires immense athletic versatility, a gift for quick-change (not only of costume but of voice, acting style, mime); and it is a favourite of Ennosuke's and of his adoring fans.

Some years ago, Ennosuke and his company brought this work to Europe, and for many theatre-goers there is served as a thrilling introduction to Kabuki. I was fortunate enough to see it in the incomparable, if incongruous setting of the Teato La Fenice in [redacted] and I recall the rapt attention of [redacted] usually impatient Venetian audience as well as [redacted] awe. A totally alien, yet not at all inaccessible world of theatre opened out [redacted] us.

[redacted] was fascinating to compare [redacted] Venice production – sets [redacted] costumes almost unaltered – [redacted] work as it is [redacted] At [redacted] Fenice, whether [redacted] reasons of [redacted] or of display, [redacted] played three parts: [redacted] *fox*, [redacted] *real Tadanobu*, and [redacted] bluff, [redacted] warrior [redacted]. Now [redacted] scenes have been ceded to another actor; but, in [redacted] see a great [redacted] more [redacted] Tadanobu: [redacted] in [redacted] three acts, he [redacted] in an elaborate dance [redacted] the heroine, [redacted] (Yoshitsune's concubine), which was – perhaps wisely – omitted in the European tour, *as virgin audiences might not* [redacted] appreciated the extended [redacted] of stylised movement [redacted] recitation, evoking [redacted] battle [redacted] a night of quasi-love.

[redacted] Kabukiza *spectators were* [redacted] *to* [redacted] an exceptional ceremony: [redacted] *kojo*, or name-taking, at which [redacted] 31-year-old [redacted] Koyone was granted permis[redacted] to use the stage name [redacted] by his [redacted] until his [redacted]. At the ceremony, [redacted] sponsor Ennosuke spoke frankly [redacted] Monnosuke's uncertain view [redacted] his son's [redacted] and [redacted] *slow development*. [redacted] younger [redacted] was equally [redacted] deprecatory, [redacted] promised [redacted] live up [redacted] the family [redacted], with Ennosuke's help.

Then, in the finally act, [redacted] nosuke [redacted] was [redacted] Yoshitsune, a part often played by his father. Actually, in [redacted] scene [redacted] required to do little except [redacted] noble; (stillness [redacted] important [redacted] element in kabuki [redacted] or speech); [redacted] fulfilled [redacted] assignment with dignity and was [redacted], though not [redacted] wildly [redacted] Ennosuke, [redacted] – in the last [redacted] – produced his full [redacted] tricks, making his [redacted] exit, in fox costume, over [redacted] audience's [redacted] *suspended* [redacted] a [redacted].

A kabuki season [redacted] in progress also at the National Theatre of J[redacted], less atmospheric [redacted] considerably more [redacted] than the Ginza house. Though the [redacted] has no spectacular superstar [redacted] Ennosuke, [redacted] numbers [redacted] players – mostly from [redacted] family. Their main offering [redacted] involved [redacted] figure [redacted] Yoshitsune. *In Ichi-no-Tani* [redacted] ("Kumagai's [redacted] Headquarters") [redacted] little magic, [redacted] of the confrontations between duty [redacted] love, honour and loyalty that [redacted] up the [redacted] of kabuki [redacted]. In Namiki [redacted] century play, actual [redacted] – and chiefly the [redacted] Ichi-no-[redacted] – [redacted] the background, but [redacted] foreground is occupied by partly [redacted] characters and by [redacted] reality has been enhanced by the author's rich fantasy.

The central figures are two women, both mothers of sons who have just participated in *battle for the first* [redacted] Meeting at th[redacted] general's [redacted], the women recognise [redacted] other [redacted] long separation and, though [redacted] sons [redacted] fought [redacted] enemies, [redacted] old friendship [redacted] their common [redacted] concern rekindle the old [redacted]tion. *As a rule we think of the onnagata* parts in kabuki – the women's roles played by men – as exemplars of delicacy, subtlety and grace; and in [redacted] instances, *this view is* correct. But just [redacted] used [redacted] and for her [redacted] so in kabuki there are many parts depicting older women, devoted hand-maidens, nurses mothers. And in the [redacted] the [redacted] the [redacted] mature onnagata [redacted] the stars: Nakamura Shikan played the general's [redacted] with a [redacted] devotion and earthiness, *while Sawamura* Tanosuke [redacted] the grander, more [redacted] Fuji-no-Kata, ex-concubine of the [redacted] and [redacted] his son.

For much of the act there is some doubt [redacted] the identity *of* [redacted] *son who is* [redacted] to have been killed; then the general's wife, Sagami, discovers that the [redacted] brought before the [redacted] in [redacted] box [redacted] that of her own Kojiro. [redacted] portrayal of [redacted] formal and [redacted] *affecting* [redacted] scene. [redacted] husband [redacted] general Kumagai, the [redacted] mura Kichiemon rose [redacted] equal heights in his farewell, when, *stripping* [redacted] he revealed [redacted] beneath and [redacted] he [redacted] determined [redacted] spend the [redacted] his life as [redacted] vagrant priest, praying for his son Kojiro. His [redacted] was a supreme indication of kabuki's [redacted] power. Even a total outsider, with no knowledge [redacted] language and only the most superficial [redacted] of [redacted] drama, [redacted] not fail [redacted] moved.

William Weaver

INTERNATIONAL ARTS PREVIEW & EXHIBITIONS

A festival of music by Hans Werner Henze dominates this weekend's events in London. The festival, organised by the BBC at the Barbican, is the latest in a highly successful series focussing on leading contemporary composers. Tonight's concert by the BBC Philharmonic Orchestra under Markus Stenz includes the UK premiere of the Violin Concerto No 1. Tomorrow at 16.00 the London Sinfonietta gives the world premiere of a revised concert version of Henze's ballet The Idiot. Tomorrow evening at the Guildhall Theatre the composer conducts his own staging of The English Cat, [redacted] black comedy set to Edward Bond's Balzac-inspired libretto. Sunday's concert, in which the BBC Symphony Orchestra will play The Raft of the Medusa, is directed by one of Germany's leading younger-generation conductors, Ulf Schirmer. On Monday Peter Sheppard plays the Violin Concerto No 2 and the festival ends on Tuesday evening with two of Henze's most ambitious scores, Tristan and the Seventh Symphony. Henze will give a series of pre-concert talks and there are early evening foyer performances, including El Cimarron tomorrow and Sunday.

The main event at the Monnaie in Brussels this month is a new production of The Nutcracker by Mark Morris, opening tomorrow. It is conducted by Sylvain Cambreling and runs till January 26. Dance also features prominently in Washington's cultural programme next [redacted] when American Ballet Theater open a short season at the Kennedy Center. [redacted] Tuesday the programme is a triple-bill of Gaîté Parisienne, Balanchine's Ballet Imperial and Twyla Tharp's Brief Fling. A new production of Coppélia staged by Enrique Martinez opens next Friday.

The Royal Shakespeare Company visits the Deutsches Schauspielhaus in Hamburg this weekend with The Winter's Tale and Coriolanus. Both productions are by Michael Bogdanov in designs by Chris Dyer. In Berlin, Peter Stein is back at the Schaubuhne to restage his production of The Cherry Orchard, opening on Wednesday.

The most notable operatic event of the week is a 20th century double-bill at the Amsterdam Muziektheater, opening tomorrow. It brings together Schoenberg's Die glückliche Hand and Morton Feldman's Neither, sung by the American soprano Reri Grist. The staging is by Pierre Audi, and the conducting is shared by [redacted] Knussen and Richard Bernas.

EXHIBITIONS GUIDE

AMSTERDAM
Rijksmuseum [redacted] of Venice: [redacted] the origin and development [redacted] "Vedute", [redacted] 18th century. Canaletto, Bellotto [redacted] Guardi form the heart [redacted] exhibition, drawn [redacted] worldwide. Ends [redacted] 3. [redacted] Dutch [redacted] from [redacted] Century, an [redacted] of 70 watercolour drawings by [redacted] de Wit, Cornelis [redacted] and [redacted]. [redacted] Feb 17. [redacted] Mon
Van Gogh Museum [redacted] Gogh and Modern [redacted] paintings by [redacted] Gogh juxtaposed [redacted] by about [redacted] European avant-garde [redacted] First World War, including [redacted] Picasso, Klimt and Kandinsky. [redacted] Feb [redacted]
BERNE
Kunstmuseum [redacted] sculptures [redacted] monochrome prints representing [redacted] periods of [redacted] development. Ends [redacted] 10. [redacted]
BRUSSELS
[redacted] **Royaux d'Art et d'Histoire** Inca-Peru, [redacted] tracing [redacted] evolution and [redacted] Inca culture through [redacted]. Ends [redacted] 20. [redacted] Mon
FRANKFURT
Jahrhunderthalle [redacted] Drawings [redacted] of [redacted] Expressionism: a [redacted] of work by Beckmann, Kokoschka, [redacted] and [redacted]. Ends Feb [redacted] Daily
THE HAGUE
Mauritshuis [redacted] Dutch paintings from America: 75 masterpieces from public and private collections, including works by [redacted], Vermeer, Frans Hals [redacted] Van Goyen. Ends Sun. Daily
LAUSANNE
Fondation de l'Hermitage Francois [redacted] (1828-1890), a retrospective including 150 paintings and drawings of scenes around Lake Geneva. Ends Jan 21. [redacted] Mon
LONDON
Hayward Gallery The Drawings [redacted] Jasper Johns, 120 works by the [redacted] artist ranging [redacted] the past 35 [redacted]. Ends Feb 3. Daily.
Royal Academy Egon [redacted] contemporaries, major exhibition of Viennese paintings, including Kokoschka [redacted] Klimt. Ends Feb 17. Daily
MARTIGNY
[redacted] **Foundation** Retrospective [redacted] sculpture, paintings and drawings by Camille Claudel (1864-1943). Ends Feb 17. Daily
MUNICH
[redacted] **der Schönen** [redacted] Joseph Beuys (1921-1986), [redacted] paintings [redacted] drawings from [redacted] der Grinten collection. [redacted] Jan 27. [redacted] Mon
[redacted] **Moderner** [redacted] From What We [redacted] and What We Would Like, a selection of work from the gallery's own collection juxtaposed with other work [redacted]. Ends Jan 27. [redacted] Mon
Haus der Kunst Paintings and Objets [redacted], an exhibition of work added [redacted] city's art collection over the past 25 years. Ends [redacted] 17. Daily
Kunsthalle der Hypo-Kulturstiftung Royal Dresden, [redacted] Court: [redacted] paintings, sculpture, porcelain, jewellery and [redacted] objets [redacted] showing [redacted] sophistication of 18th century [redacted] the 41-carat [redacted] green [redacted] and paintings by [redacted]. Ends [redacted] 3. Daily
[redacted] Photographs Beuys, photographs [redacted] German artist Joseph Beuys [redacted] by Fritz Getlinger [redacted] 1950 [redacted], including portraits [redacted] Beuys and photographs [redacted] his drawings [redacted] sculptures. Ends [redacted]
NEW YORK
Metropolitan [redacted] pre-Columbian [redacted] 20th century. Ends Sun
Museum of Modern Art High and Low: [redacted] Art and Popular Culture, bringing together works by Dubuffet, Duchamp, Picasso, [redacted] and [redacted]. Ends Tues. Closed Mon
PARIS
Bibliotheque Nationale [redacted] Egypt, multi-media [redacted] commemorating [redacted] bicentenary [redacted] birth [redacted] Egyptologist Champollion. [redacted] March 17
Conciergerie Saint Bernard et [redacted] celebrating [redacted] anniversary of [redacted] birth, [redacted] exhibition [redacted] manuscipts, stained glass windows, [redacted] and a huge [redacted] press. Ends Feb [redacted]
[redacted] **Cazeau** Wide-ranging collection [redacted] paintings [redacted] Andre [redacted]. Ends Feb 2
Grand Palais Paintings, drawings and tapestries by [redacted] (1590-1649), [redacted] compositions [redacted] and churches [redacted] time of Louis XIII and [redacted] Feb 13
Haboldt and Co Drawings by French and Italian [redacted] of the Ecole du Nord. [redacted] Jan 19
Louvre [redacted] acquisitions [redacted] Department [redacted] Objets d'Art. Includes [redacted] exhibits [redacted] medieval [redacted] and goldsmiths' work, [redacted] bronzes, [redacted] and majolicas. [redacted] 18th century furniture, tapestries and porcelain, many [redacted] which [redacted] royal gifts or royal possessions. Ends [redacted] 21. [redacted] Tues
[redacted] **Arts Decoratifs** [redacted] wallpapers [redacted] century. Ends [redacted] 21. [redacted]
[redacted] **d'Orsay** From [redacted] to Monet: [redacted] museum's acquisitions over [redacted] seven years, including paintings, drawings, photographs and furniture. Ends March 10. [redacted] Mon
[redacted] sold [redacted] and [redacted] avoid queues [redacted] 60 museums and monuments, including the Louvre, Musée d'Orsay [redacted]
PRAGUE
[redacted] Zrzavy (1890-1977), exhibition [redacted] paintings [redacted] Riding [redacted]. Ends March 3. Closed Mon
ROME
Villa Medici Jean-Honore Fragonard and Hubert Robert: a comparison between [redacted] very different [redacted] century artists, often depicting [redacted] landscape. [redacted] Feb 24
ROTTERDAM
Museum Boymans-van Beuningen [redacted] Bartolommeo, drawings from the Italian [redacted] selection of 100 drawings [redacted] museum's [redacted] are figure studies for [redacted] paintings, and many [redacted] on public [redacted] first time. In addition, [redacted] landscape drawings from European and [redacted]. Ends [redacted] 17. [redacted] Mon
STUTTGART
Staatsgalerie [redacted] paintings by [redacted] Bolognese [redacted] Giuseppe Maria Crespi (1665-1717). Ends [redacted] 17. [redacted] Mon
VIENNA
Kunstlerhaus [redacted] Capucci: [redacted] Armour, [redacted] in [redacted] silk from past [redacted]. Ends April 2. [redacted] Mozart in Vienna, [redacted] for [redacted] Mozart bicentenary. [redacted] Sept 15. Daily
WASHINGTON
National Gallery [redacted] major exhibit of 90 Van Dyck paintings [redacted] from [redacted] and mixed with the gallery's own collection. Ends Feb 24. [redacted] Titian, [redacted] from public and private collections [redacted]. Ends Jan 27. Daily
ZURICH
Kunsthaus Giovanni Segantini (1858-1899), retrospective [redacted] post-impressionist paintings and drawings from [redacted] three major periods in his life, including landscapes from the Swiss Engadine. Ends Feb 3. Daily

FINANCIAL TIMES
NUMBER ONE SOUTHWARK BRIDGE, LONDON SE1 9HL
Telephone: 071-873 [redacted] Telex: 922186 [redacted] 071-407 [redacted]

Friday January 11 1991

Massaging the oil price

ONE NOTABLE paradox of the Gulf [redacted] is [redacted] that the approach of [redacted] UN [redacted] has conspicuously failed [redacted] propel the oil price back [redacted] the peaks reached in [redacted] autumn. Today's level is a far cry from late September's figure of around $40 a barrel; and while the price will inevitably remain sensitive [redacted] the ebb and flow of diplomacy, there [redacted] some comfort to be derived from [redacted] manifest [redacted] the oil [redacted] in the face of the increasing risk of outright war.

The International Energy Agency (IEA) now estimates that [redacted] oil stocks [redacted] highest levels for nine years. Leading oil producers, including [redacted] Arabia, Iran and Venezuela, have moved considerable quantities of oil away from [redacted] potential war [redacted] in order to supplement [redacted] consumers in the event [redacted] interruption to supply. Equally striking, the *Organisation of* Petroleum Exporting Countries (Opec) [redacted] shown [redacted] remarkable capacity [redacted] *increase production* [redacted] a period when [redacted] been slowing in [redacted] *incipient recession.* Historically, in [redacted] terms, [redacted] oil price [redacted] depressed. Does [redacted] IEA has [redacted] justified in playing [redacted] exceptionally low-key role [redacted] *five* [redacted] *of* [redacted] *crisis?*

Oil sharing

Clearly the rapidity with which the market has [redacted] good *much of the loss of* Kuwaiti [redacted] Iraqi oil suggests that any resort [redacted] IEA's *arrangements* for oil sharing between [redacted] member states, which can [redacted] triggered by [redacted] *fall* [redacted] oil supplies, would have been [redacted] demic. [redacted] the agreement [redacted] workable, which [redacted] *doubt, there are grounds* [redacted] thinking that it [redacted] largely academic anyway. The earlier oil *price hikes of* 1973-74 and 1978-79 gave [redacted] to crises not of supply but of price. This has certainly been true of the [redacted] that [redacted] followed the Iraqi [redacted] and will [redacted] all probability be [redacted] in [redacted] that [redacted] from [redacted] western military response.

[redacted] problem is [redacted] the impact of higher oil prices on [redacted] world economy could be far more costly than the war itself; [redacted] *far beyond the* [redacted] from which [redacted] IEA [redacted] its membership. Against [redacted] background [redacted] case for making use of strategic stocks is a great deal more obvious *than the case for cum*bersome [redacted] sharing arrangements which were devised [redacted] a time when much less *of the* world's oil [redacted] traded in [redacted] transparent fashion on spot [redacted] markets.

Market overshoot

The appropriate principles [redacted] stabilising speculation are much the same as those that apply in [redacted] bank exchange market intervention. [redacted] the [redacted] the oil market [redacted] different, it is no [redacted] overshooting than [redacted] currency markets. And [redacted] the oil price [redacted] touch with [redacted] ities of supply and demand and acquires an anxiety premium, it would make [redacted] premium through [redacted] sive intervention when market sentiment [redacted] vulnerable. Where a genuine [redacted] of supply *posed* little [redacted] than a transitional problem [redacted] would [redacted] equal [redacted] strategic *reserves to mitigate extreme* [redacted] volatility. Yet the IEA is only willing [redacted] intervene *directly* [redacted] *there* [redacted] *a seri*[redacted] shortage [redacted] supply, which [redacted] precisely [redacted] situation in *which the use of strategic* [redacted] likely [redacted] ineffective.

[redacted] there [redacted] to be any attempt [redacted] price stabilisation, [redacted] job seems more likely to fall [redacted] President [redacted] than [redacted] IEA. The United [redacted] holds [redacted] biggest reserves and [redacted] reason (or justification) [redacted] countries [redacted] worry about releasing [redacted] without [redacted] simultaneous response *from other countries* [redacted] restrain demand. And it [redacted] surely in the wider [redacted] interest, *not least in* [redacted] *of* [redacted] relations, to [redacted] damp down the more [redacted] fluctu[redacted] in [redacted] oil price. But the way to deal with the worst-case oil [redacted] – [redacted] serious [redacted] term disruption [redacted] sup[redacted] – [redacted] through [redacted] manipulation. In that event, oil stocks can [redacted] no more [redacted] *limit the* [redacted] *economic* [redacted] age.

Mr Lamont's grim options

WHAT BETTER *way to start* off the Budget season than with an equally peculiar British ritual, the weekend country house party. [redacted] discussions at Chevening this weekend are an initial stage in a journey whose end is [redacted] chancellor's [redacted] gence from "Budget purdah", waving his battered [redacted]. The Budget [redacted] *chancellor's* day of glory. This year, however, the Budget is unlikely to give pleasure [redacted] anyone, *except* the opposition.

"If it isn't hurting, it isn't working", said *Mr* Major when [redacted]. It [redacted] hurting and is going to hurt a great deal [redacted]. Already [redacted] Treasury's forecasts for the Autumn State[redacted] of economic growth of [redacted] per cent [redacted] *year look hugely* optimistic. [redacted] this deterioration in the British economy [redacted] *only* [redacted] *of the hazards* that Mr Norman Lamont will wish to discuss. Far [redacted] a major *war could be under way* within a week.

Two questions

Given these uncertainties, [redacted] right course *would* [redacted] focus on [redacted] *conceptual* questions, instead: whether entry into the [redacted] mechanism should change [redacted] way fiscal policy [redacted] approached; and whether significant reform of taxation can be contemplated and, if so, where.

Since March 1988 [redacted] aim [redacted] fiscal policy has [redacted] to [redacted] the budget (that is, [redacted] *public sector* borrowing requirement) "over the medium term". Unconvinced, *in addition,* of the [redacted] for [redacted] cal fine tuning, the govern[redacted] a fairly passive approach [redacted] policy.

The custom has simply *been* [redacted] the outcome for the [redacted] (or [redacted] repayment) [redacted] target for the succeeding year.

[redacted] monetary policy is, if not locked, [redacted] least constrained by ERM membership, [redacted] such passivity desirable in principle? When interest [redacted] high, sterling weak and [redacted] economy in a nosedive, is such passivity tolerable in practice? *The questions* [redacted] *more* pressing when the growth of M0, or narrow money, has been within the Treasury's ta[redacted]t *ever since last August.*

The case for a [redacted] sive fiscal policy has, indeed, *been strengthened* by ERM entry. Furthermore, the economy is [redacted] and capital mar[redacted] could readily accommodate a large fiscal deficit.

Nonetheless, the government would be ill advised to [redacted] net *changes in tax*ation beyond [redacted] required by the indexation of allowances. A *discretionary tightening* [redacted] *fis*cal policy is not required. There will be no real fiscal *drag (the tendency of* [redacted] nue [redacted] rise more rapidlythan [redacted] domestic product) to offset. *Last* [redacted] least, a discretionary [redacted] loosening could be counterproductive in terms of [redacted] main [redacted] lower inflation and lower [redacted] *interest.*

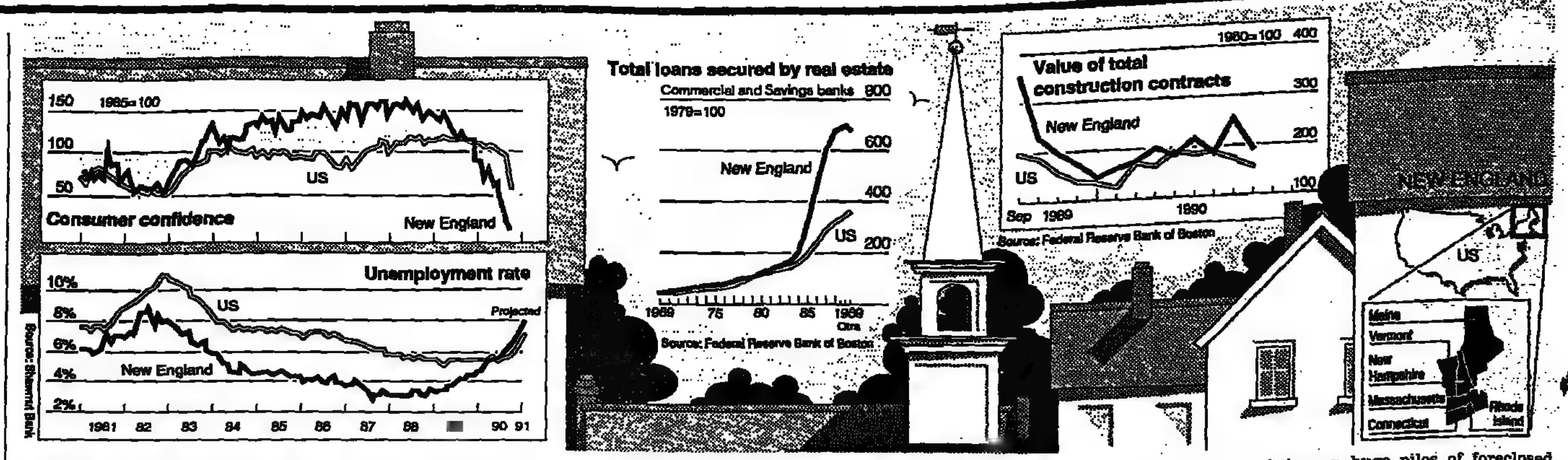
In the UK discretionary fiscal changes have almost always been ill-timed. Any action this year looks likely [redacted] too late. But the main objection [redacted] a *discretionary* [redacted] cal loosening is [redacted] sion [redacted] so much [redacted] problem [redacted] solution. The government [redacted] chosen [redacted] disinflationary policy. That being *so* (and *presuming* it is not thinking [redacted] U-turn), it [redacted] both politically and economically *desirable to* get the pain [redacted] quickly as possible.

What will [redacted] *out of the recession will* be falling rates of interest. For this the [redacted] of [redacted] needs [redacted] be *pushed down as swiftly* [redacted] sible and the credibility [redacted] the exchange rate needs to be increased. *Both require a firm* Budget.

Taxation of perks

Yet [redacted] Budget [redacted] not *be boring. There* [redacted] raise revenue – through the taxation of perks, such [redacted] *those for company* [redacted], or modification [redacted] mortgage inter[redacted] or, more radical still, *re-introduction of a property* [redacted] – that would allow [redacted] changes elsewhere. This reve[redacted] be used [redacted] further incentives for savings, for example.

Nonetheless, Mr Lamont's [redacted] Budget is *unlikely* [redacted] an occasion of joy. [redacted] can [redacted] little. He must, instead, rein*force the* [redacted] *policy* on which his predecessor embarked. Only thus can he attain what both he and the country need: *sharply lower inflation,* lower interest [redacted] a durable economic recovery.



On the 32nd floor of the Federal Reserve Bank of Boston, Mr Richard Syron, [redacted] Fed's 47-year-old president, is pouring coffee for a visitor and cold water on prospects for the New England [redacted] and [redacted] banks.

As recession deepens across the US, some of New England's problems are spreading, write **Alan Friedman** and **Martin Dickson**

Dire straits, and getting worse

"There has to be a massive consolidation of the banking system in New England," Mr Syron booms, "and I don't mind saying massive!" He [redacted] that the number of institutions in the region – [redacted] 627 commercial [redacted] and thrifts – will diminish by [redacted] full third during the [redacted].

Half [redacted] mile [redacted] snowflakes [redacted] drifting down upon [redacted] insolvent Bank [redacted] England (BNE), [redacted] region's second-biggest bank and now in the hands of [redacted] Washington regulators [redacted] seized the 300-branch institution [redacted] weekend.

In [redacted] suite [redacted] failed bank, representatives from [redacted] Banc One [redacted] Ohio [redacted] picking over [redacted] of BNE, hoping [redacted] acquire [redacted] New England branch [redacted] of nearly $6bn [redacted] problem loans. An [redacted] tell [redacted] sorry [redacted] how worthless real [redacted] loans and [redacted] pushed [redacted] brink.

Meanwhile, [redacted] 50 miles south-west [redacted] Boston, [redacted] lights are shining brightly [redacted] Bruce Sundlun, the septuagenarian governor who [redacted] down [redacted] of [redacted] *state's own banks* [redacted] *January 1,* [redacted] 14-hour day.

Rhode [redacted] problems [redacted] from [redacted] England; here [redacted] only [redacted] organised crime [redacted] helped wreck some of [redacted] state's banks. But Mr Sundlun, [redacted] businessman with [redacted] no-nonsense approach [redacted] life, has already won [redacted] award for deci[redacted] *the spreading New* England banking crisis.

The [redacted] problem for Governor Sundlun, [redacted] *for* his counterparts in [redacted] other [redacted] comprise New England, is that [redacted] region, along [redacted] York, is in [redacted] vortex of the US recession. [redacted] undoubtedly the worst-hit part of the country, [redacted] system [redacted] is consequently [redacted] immense [redacted].

[redacted] England's recession began two years ago – long before the [redacted] wide [redacted]. Nearly 140,000 jobs have been lost [redacted] the past 14 months, or [redacted] the [redacted] of the 1981-82 recession. Unemployment in New England is now nearly 7 per cent, against a national average of 6.1 per cent. It is expected [redacted] this summer [redacted] almost 8 per cent, [redacted] full percentage point [redacted] the [redacted] level.

[redacted] *confidence,* meanwhile, has hit rock bottom. Retailers in Boston are offering [redacted] of [redacted] 70 per [redacted] *on luxury goods.* According [redacted] the Conference Board, the consumer confidence [redacted] in New *England* stood at 140 in early [redacted] it [redacted] now dropped to just [redacted] – [redacted] lowest level recorded anywhere in the [redacted] the statistical measure [redacted] begun in [redacted].

But statistics tell only part of the story; gallows humour has taken [redacted] *place of* [redacted] *bravado.* "At [redacted] I outlasted the bank," joked one fallen property developer.

"Do you know what [redacted] *loan is?"* [redacted] prominent real estate lawyer. "It [redacted] when [redacted] and the *borrower both self-destruct, leaving* only the property standing."

Two key questions [redacted] posed by [redacted] painful [redacted] of affairs: how much [redacted] can the regional economy fall? [redacted] problems of New England the results of unique [redacted] or, more ominously, [redacted] they [redacted] accurate harbinger of [redacted] deeper recession [redacted] failures that could soon cascade along [redacted] seaboard [redacted] then [redacted] farther afield?

To answer those questions, [redacted] essary to look [redacted] how New England got into its plight. The region, which contains 5.3 per [redacted] US popula[redacted] *and accounts for* [redacted] *little larger* share [redacted] national output. [redacted] had to work hard for [redacted] living since the Pilgrim Fathers *landed* [redacted] *its inhospita*[redacted] shores in [redacted] early 17th century.

For the rocky, thickly wooded [redacted], with its economic heartland centred [redacted] the port city of Boston, lacks natural resources. Down the centuries [redacted] *have relied so success*fully on brainpower [redacted] rebuild eco[redacted] growth [redacted] slump [redacted] *phrase has* [redacted] *to describe* [redacted] "yankee ingenuity." In [redacted] mid-19th century, [redacted] example, [redacted] England was the [redacted] the American industrial revolution and the textile mills in [redacted] of Lowell were the envy of the world.

[redacted] early 1980s witnessed a particularly dramatic example of this cycle [redacted] renewal. New England sud*denly experienced employment* growth and wage rates well above the national [redacted]. The politicians called it the "Massachusetts miracle", [redacted] Mr [redacted] Dukakis, then governor [redacted] state, fought an [redacted] ful presidential campaign on the strength of it.

[redacted] proved a mirage. The prosperity [redacted] in [redacted] tial [redacted] a lucky *coincidence* which saw [redacted] of [redacted] region's main [redacted] enjoying strong simultaneous growth: the [redacted] policies [redacted] early Reagan [redacted] were [redacted] *defence contractors;* [redacted] *technology explosion* helped [redacted] cluster [redacted] computer [redacted] Route 128, the main highway around Boston; [redacted] *strong growth* [redacted] *global capital* markets gave [redacted] thrust to [redacted] city's financial [redacted] community.

By [redacted] turning down. [redacted] spending [redacted] peaked, [redacted] computer industry was hit by [redacted] global [redacted] affected several leading [redacted] England hard[redacted] companies, and finance [redacted] in the [redacted] of [redacted] Monday. *In addition,* [redacted] *region* was

New England, along with New York, is in the vortex of the recession. It is the worst-hit part of the country

[redacted] shedding other manufacturing jobs, scared off by an extremely rapid rise in property prices and labour costs.

[redacted] *despite* [redacted] *slowdown in the* region's growth, [redacted] speculative [redacted] real [redacted] investment none [redacted] *less developed in* [redacted] as cash-rich banks and [redacted] virtually threw money at property developers. [redacted] price of [redacted] space [redacted] suburban Boston rose from $9 to $20 a square foot [redacted] 1988. Although [redacted] big bank was as reckless in its lending as the [redacted] Bank [redacted] England – which allowed 37 per cent of its total loan [redacted] concen[redacted] in [redacted] – the [redacted] says [redacted] the proportion [redacted] total [redacted] and savings bank loans secured by real estate in the region jumped to twice the national average by early 1989.

The real estate bubble was bound [redacted] *burst for more* [redacted] *just cyclical* [redacted] sons. In the [redacted] more than [redacted] thrifts in the [redacted] public and [redacted] an [redacted] equity capital; in [redacted] alone a handful of [redacted] sold $1.5bn of shares [redacted] *just 18 months. Capital* [redacted] sky-rocketed, [redacted] above [redacted] per cent, [redacted] then [redacted] on [redacted]. *"It was not hard, with* [redacted] insurance, [redacted] liability [redacted] of [redacted] sheet," [redacted] Fed's Mr Syron. *"It was a* [redacted] *harder* [redacted] book good assets."

Mr William Seidman, [redacted] of [redacted] Deposit Insurance Corporation, [redacted] a congressional committee that he could not rule out the possibility of more bank [redacted] similar in [redacted] to [redacted] Bank of New England. [redacted] corporation is expecting [redacted] of losses [redacted] a result [redacted] bailing [redacted] banks, [redacted] – in [redacted] of things [redacted] – [redacted] seeking a [redacted] levy on healthy US *banks* [redacted] *replenish* [redacted] *funds.*

Recovery for New England will almost certainly be long and painful. *Mr Syron* [redacted] that [redacted] region will [redacted] bottom [redacted] trough [redacted] six [redacted] the national [redacted] – or some 12 [redacted] months from now. This is [redacted] the banks, anxious [redacted] repair [redacted] capital ratios, are nervous *of taking on* [redacted] *loans, and corporate* New England faces an acute credit crunch.

Mr [redacted] *Evarts, a fund manager* at Harbor [redacted] in Boston who is a director of the Boston Stock [redacted] and a member of [redacted] board [redacted] the Cambridge Trust Company, [redacted] private [redacted], says the banking [redacted] has been hit so [redacted] that its willingness and ability to lend could make [redacted] slower. "Too many loan officers are now pleased with having the [redacted] *number* [redacted] than the largest number of loans."

[redacted] bank credit in turn is accentuating [redacted] problems in [redacted] property market. Whereas in 1988 the stock of [redacted] office space in the Boston area [redacted] equivalent [redacted] a two-to-[redacted] supply, analysts [redacted] surfeit means [redacted] is now [redacted] or [redacted] years' worth. A leading [redacted] expert [redacted] besides [redacted] banks, several big [redacted] are also sitting on huge piles of foreclosed property – and *insurance could be the next sector to suffer.*

With home values plunging and the unemployment rate rising fast, *it will also take a long time to restore* shattered consum[redacted] confidence. At the same time, New England's state governments *are struggling* with huge [redacted] deficits [redacted] the [redacted] is [redacted]. They will [redacted] to *increase taxes or slash* services – and doing either will add to the downward economic spiral.

To all these *local factors must now* be added the national recession the US entered last autumn, which will cut demand *for New England goods* and services outside the region. And if a Gulf war leads to a sustained rise in oil prices, New England will suffer particularly severely, since imported crude accounts for more than 60 per cent of its energy costs.

Nor are there any substantial signs of light at the end of the tunnel. It is true that Boston's large mutual funds *(unit trusts)* business is still in good shape, that a fledgeling bio-technology industry offers promise, and that *the weakness of* the dollar is helping export businesses. But none of this seems likely to provide the big new *industrial engine needed to kick-start* the economy.

As recession deepens across the US, some of New England's difficulties are being repeated in other regions. In particular, real estate values have been crumbling down much of the eastern seaboard, which in turn suggests that more banks – though most of them small – will go to the wall, from New York state to Georgia.

However, no other eastern region is expected to face difficulties as severe as *New England's. This is partly* because their growth in the boom years was not so marked or unsustainable; and partly because the regional economies of New York, New Jersey [redacted] the mid-Atlantic [redacted] more diversified and [redacted] anced. Banking failures across the US [redacted] ruled out. Mr Seidman [redacted] should the recession [redacted] *deeper or* [redacted] *than forecast, more* bank failures will be "almost assured". This would increase [redacted] cost of the *federal bail-out* to [redacted] ernment and further weaken the [redacted] of the fragile American [redacted].

Back in Boston, it is perhaps indica[redacted] that [redacted] *raging as to* whether [redacted] region's [redacted] as bad as that of Texas in [redacted] mid-1980s, when the crash of crude oil prices [redacted] economy into a [redacted] saw the failure of nine of the state's 10 largest banks.

The answer is almost certainly not. Mr Nicholas Perna, chief economist at New [redacted] Shawmut Bank, says that "on the Richter scale there is an earthquake [redacted] of six, as opposed [redacted] Rich[redacted] nine in Texas".

This may be the case, but *for* those falling into the [redacted] opened by [redacted] England's [redacted] earthquake, [redacted] precious little comfort.

Dentsu rubs it in

■ [redacted] & [redacted] eat your heart out. While Britain's crippled advertising giant [redacted] tendering [redacted] financial [redacted] plan in London, its Japanese counterpart Dentsu was flaunting its advertising *industry leadership* by throwing the [redacted] lavish new year party.

Even compared with [redacted] glory days, [redacted] thought nothing of converting Alexandra Palace into a replica of [redacted] headquarters, [redacted].

On the first floor of Tokyo's Imperial Hotel there was champagne and [redacted] baroque [redacted] trio in [redacted] a mock-up [redacted] Brandenburg Gate. All around [redacted] bistros, beer halls and restaurants of various national distinctions to support the "Spring in Europe" theme.

Moving up a floor, you could have your portrait drawn, be filmed in high-definition [redacted] against one of four eastern European backdrops (sample – Chopin's home in Poland), be told your fortune by palmist, tarot-card reader or astrologer, then take in a 20-minute floorshow featuring many [redacted] ladies. Japanese [redacted].

It [redacted] year [redacted] plan the party for 11,000 people which now [redacted] the [redacted] Sapporo, Nagoya and Fukuoka. While [redacted] won't say [redacted] it costs, anyone [redacted] with Tokyo prices will know [redacted] a conservative [redacted].

[redacted] think of it, [redacted] that [redacted] paltry sum [redacted] save shareholders with [redacted] ill-fated convertible preference share issue?

Cheque mate

■ In a bid to [redacted] the Sids, Franks and disgusteds of Tunbridge Wells, who complained bitterly about the way shares [redacted] allocated in last year's privatisation of [redacted] 12 regional electricity companies, [redacted] government has promised [redacted] when the [redacted] generating companies are floated, nobody's cheque will be cashed unless they are due [redacted].

Hardly generous, you may feel, but [redacted] time round some people's cheques were [redacted] and then returned to [redacted] applicants [redacted] weeks later.

This was because [redacted] regional [redacted] were [redacted] separately, [redacted] some cheques had accordingly to be split into twelve, says Dewe Rogerson, the government's highly paid marketing adviser.

Surely [redacted] couldn't be just a cynical ploy to top up privatisation [redacted] with a modicum of [redacted]

Power points

■ Giulio Andreotti, [redacted] week, is the wittiest as well as most durable of Italian politicians – he [redacted] a minister [redacted] most of the past [redacted] years. And his sixth term as premier has not prevented him from publishing a book of [redacted] quips [redacted] his concurrent career as [redacted] political entertainer.

The [redacted] – "Power Exhausts... but it [redacted] it" – [redacted] one of his [redacted] "power exhausts [redacted] do not [redacted] it." [redacted] some other samples.

On a chauvinistic [redacted] *better I* [redacted] *certain gentle ladies,* [redacted] *I* [redacted] *the fascination of ecclesias*[redacted] *celibacy.*

Of an anti-clerical colleague: *He* [redacted] *not stand being close to priests, except at election time.*

The politician: [redacted] *most difficult dictatorship to hate is* [redacted] *own.*

Andreotti, man of the church: *I do not have personal plans,* [redacted] *aspirations. Rather, one aspiration* [redacted] *to* [redacted] *God's grace, as late as possible.*

OBSERVER

"I've taught it to talk for six [redacted] without reaching any conclusion."

Knotty one

■ To breakfast aboard the 67ft Rhone-Poulenc, perched high albeit not altogether dry [redacted] London's Earls [redacted] for [redacted] *Show. Come* September next year 10 identical yachts leave [redacted] in [redacted] *Steel Challenge:* a race round [redacted] world [redacted] – [redacted] to west, *against* [redacted] *spin.*

Overheard Jorgen Philip-Sorensen, [redacted] of Group [redacted] *Securitas which is* sponsoring one of the contenders, [redacted] *inauspicious start* [redacted] own seagoing career. "Bought my first boat in Sweden. It sank after a week."

Also heard salty *Chay Blyth* [redacted] on selecting [redacted] crews from volunteers keen to pay £14,850 for the privilege. They're not always easy [redacted] accommodate, it seems.

Following joint application from married couple, he interviewed them separately. [redacted] asking [redacted] husband if he wanted to sail in same yacht as his spouse, he answered "Of course". The wife's reply to [redacted] same question was "Like hell I do."

Schmaltz hotel

■ Anyone tempted [redacted] on Hidden [redacted] "give your partner [redacted] pzazz" [redacted] would [redacted] well [redacted] for [redacted] extras. The package, supposed [redacted] rekindle [redacted] romances, is being [redacted] *in* [redacted] *run-up* [redacted] Valentine's day.

True, [redacted] price [redacted] personal [redacted] *who can* be cued to toot flute, twiddle fiddle or even thrum drum at *decisive* [redacted] white [redacted] and/or off-the-shoulder dress, and the *"official conversationalist"* [redacted] chatting-up techniques over afternoon tea.

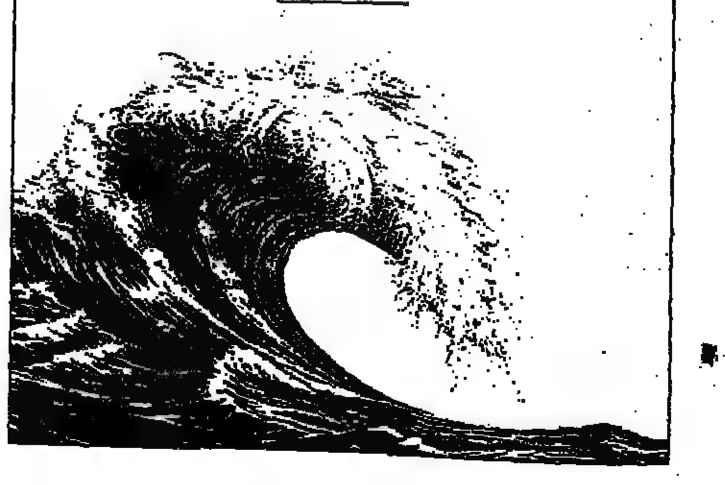
But if either party wants to sparkle in a [redacted] the bill [redacted] up by [redacted]. And *cutting a* [redacted] by driving around in a Ferrari not only costs an extra £500, but is [redacted] *lovers aged* [redacted]

Fighting spirit

■ *Cambridge University* [redacted] Club did a quick rethink about [redacted] trial run today on the *Thames, the first* [redacted] in the selection [redacted] the crew [redacted] against Oxford on March [redacted].

[redacted] traditionally [redacted] silly [redacted]. [redacted] year the boats were *christened Red Alligator* and The Banshee. But this time Cambridge, [redacted] have [redacted] only once in [redacted] last [redacted] attempts, hoped to inject some fighting spirit into their crews by calling the boats Iraq [redacted] *The Rest of the World.*

However, in the interest [redacted] taste and to the dismay [redacted] headline writers, [redacted] spirit is being injected. The two boats have [redacted] renamed Drunk [redacted] Disorderly.



هكذا من الأصل

POLITICS TODAY

Clarke conducts his own class-warfare

By Joe Rogaly

It is easy to rant at British education. Some of us have ranted for a long time. We have had to. During the past quarter of a century apoplectic outrage has been the only rational response to the discovery that since the late [illegible] many of our state schools have been staffed by lunatics.

It is not so easy to accept evidence that the managers of the asylum may be gearing up to do better. Yet we appear to be at the start [illegible] what with luck might turn out to be a period of slow improvement. By the time the new century [illegible] quite a few British state schools may be on the verge [illegible] adequate. The best [illegible] them may even meet the needs of children who will be aiming for jobs in a competitive Europe.

The headlines of the past week suggest otherwise. [illegible]esterday's were to the effect that her majesty's inspec[illegible] that the teaching of reading is "less than satisfactory" in a fifth of the institutions of lower learning they have visited. [illegible] figure is not as bad as might have been expected from the stories you hear from [illegible] parents, but it is nevertheless terrible. A concomitant report from the National Foundation for Educational Research indicates that since 1985 there has been a fall – doubtless a *further* fall – in the reading standards achieved by seven-year-olds. Mr Kenneth Clarke, the canny new secretary of state for education, was quick off the mark with an instruction to schools and local education authorities to try harder.

He must know that such an instruction is more likely to be filed away than acted upon. Something else is required, something more radical. Curiously, we may already have it – or at least the makings of it. I refer to the much-maligned Education Act put through in 1988 by Mr Clarke's predecessor but one, the ever-smiling Mr Kenneth Baker. Mr Baker has his critics, and indeed his faults, but this is not the occasion on which to rake over all that. For his place in history, as the minister who put the 1988 act on the statute books, is secure. It is a powerful piece of legislation. Properly implemented by future governments, it could come to be regarded as the prime achievement of the Conservative government elected in June 1987.

To appreciate this, hark back to October 8 1976. On that day Mr James Callaghan, then freshly in office as Labour prime minister but now a peer, spoke about the low standards attained by young people in British schools. It was a carefully-constructed speech: at the end of it the stubborn-hmacy of the teaching profession was exposed. To Lord Callaghan, then, goes the credit for initiating a "great debate" on education at a time when child-centred, progressive, know-nothing-and-strive-less teaching was at its most destructive.

There was no mystery about what had to be done. Control over teaching had to be wrested from the teachers. Their "secret garden" had to be invaded. Their right to ruin children's minds behind securely-closed classroom doors had to be removed. Yet no minister, Labour or Conservative, dared to tackle this until Mr Baker came along. All of them, including Shirley Williams, Mark Carlisle and Keith Joseph accepted the Department of Ed[illegible]tion's belief that its job was to supervise school building, period. The first two Thatcher [illegible] passed, and nothing was done.

But Mrs Thatcher, herself a former education secretary, did eventually recall the echoes of the Callaghan-inspired debate. Perhaps because of her recollection of the character of the Education Department, the then prime minister set her sights low. She demanded a basic core curriculum, designed to give children in the worst schools an acquaintance with the three Rs, plus a smattering of science. There would be a few simple tests. Mr Baker took on the brief, but amplified it. You would expect that of him, for he is a man of dreams. I can recall when he wanted to link every home in Britain to a network of fibre-optic cables. He dreamed so strongly about his education bill that he found the strength to win his arguments with Mrs Thatcher.

The result was a legal requirement for a 10-subject core curriculum, with children to be "assessed" (heaven forbid they be tested) at the ages of seven, 11, 14 and 16. On that foundation the Education Department has subsequently erected a great administrative edifice with curriculum councils and a school examinations and assessment council and a large number of criteria for the provision of information. It has two flaws: it is unwieldy, and it is still at least partly infested with 1960s child-centred notions that persist into the 1990s.

Mr Baker's successor, Mr John MacGregor, started to tackle the unwieldiness. The original cunning plan provided for continual assessment of pupils' progress. It would be carried out by teachers, working to a long list of attainment targets, over all subjects. On top of that there would be national tests the results of which would have to be reconciled with those carried out by the teachers. All of this involved hundreds of hours of checking and entering. It was impractical, a desk-bound blueprint.

Mr MacGregor ordained that at the ages of seven and 11 the national assessments would apply only to "key aspects" of mathematics, science and English – more or less Mrs Thatcher's original agenda – and that the [illegible] subjects would be

Alan Harper

The education secretary: starting to reverse a 25-year schools eclipse

assessed by teachers without the control of a national standard test.

Since he succeeded Mr MacGregor in November, Mr Clarke has taken the simplification further. He has asked for a review of the attainment targets in science and mathematics. These targets are broad subsets of each subject. The review should produce fewer targets – perhaps four or five, as there are in English and technology – rather than the 14 currently set for maths and the 17 for science. Recoiling from the notion of a 10-part compulsory GCSE examination at 16, he has designated English, mathematics and science (again Mrs Thatcher's original trio) [illegible] core subjects. Art [illegible] are [illegible] longer compulsory after age 14. History and geography become alternatives in the later years.

[illegible] probably [illegible] have [illegible] He had a vision of the importance of history as a part of the [illegible] psyche. In [illegible] there [illegible] strong arguments about how national[illegible] history should be. Downing Street had its views; Mr MacGregor battled to neutralise this controversial curriculum. We shall see how far [illegible] got when draft parliamentary orders on history and geography are published [illegible] week. Those who argue that the state should not be deciding these matters at all are supported by [illegible] evidence of such internal quarrels. At least we have no equivalent [illegible] to place the [illegible].

All of the above has led to some teasing. [illegible] happened, it is asked, to the incredible disappearing curriculum? [illegible] of it, perhaps still too much, remains [illegible] place. Music, [illegible] and physical education are yet to be [illegible]; they will be less detailed than the others. [illegible] reports from [illegible] working groups [illegible] this month. The timetable for getting all 10 subjects into ring [illegible] and [illegible] stretches to the summer of 1997; perhaps we shall have a single European currency before it is complete. Mean[illegible] summer parents [illegible] year-olds will get their first reports [illegible] curriculum, [illegible] assessed either by teachers or via the standard national assessments.

[illegible] to the child-centredness of the curricula themselves, even a minister with as much energy as Mr Clarke will be hard put to recover ground [illegible] soppy educationalists and gullible outsiders with [illegible] the curriculum [illegible] packed by the education department. Yet the degree of structure already [illegible] in [illegible] better than what went before. In time, the curricula may be modified to demand higher things of children. Asking that the little dears be sweated, or properly [illegible] compete [illegible] another, [illegible] this century.

This overall conclusion is less frustrating if you accept [illegible] it [illegible] a generation [illegible] real changes in educational practice. Mr Baker's achievement [illegible] to [illegible] a machine [illegible] making those changes. It is not in itself suffic[illegible]. Teachers will have to be better paid, but then they are sure to get a fillip after the next election, whoever [illegible]. Labour proposes an education stan[illegible] council; [illegible] Conservatives could do worse than pinch the idea and put [illegible] people who [illegible] more rigour. Set them to do battle against the existing inspectors [illegible] councils. [illegible] parties now propose to assess teachers' performance [illegible]. Labour currently has the highest aspirations.

What neither party seems yet to [illegible] realised [illegible] Mr [illegible] machine [illegible] turned towards improving [illegible] status [illegible] technical [illegible] education. It brings [illegible]nology into the primary school for the first time. Mathematics and science [illegible] compulsory for all. If further non-academic subjects could become options, the makings of a useful education system, with parity of esteem for all subjects, are there. Providing separate schools for the academic, the technical-minded and a middle group may be wise, but it is not practical politics. The national curriculum [illegible] be modified [illegible] purpose, within [illegible]. That [illegible] allow pupils the degree of choice contemporary society expects. They could [illegible] from academic to technical and back, as they are able [illegible] do between schools in Holland.

All of this may seem unduly optimistic, [illegible] my own sense is that we are over the worst. The national [illegible] to improve the system is becoming palpable. Working through the British Association for [illegible] Advancement of Science, Sir Claus [illegible] has engineered the establishment of a freelance Royal Commission on [illegible] – to be called the National Education [illegible]. He has roped in the Royal Society, [illegible] British Academy and the Fellowship of Engineering and got the money from the Paul Hamlyn foundation. The political parties [illegible] see education [illegible] a leading electoral topic. [illegible] must rant on, but perhaps not for a further 25 years.

The state and social behaviour

No reason for regrets

By David Walker

From [illegible] study [illegible]sioned by the Economic and Social Research Council: the way to cut down on smoking is to fall in love. Taking up with [illegible] non-smoker led to giving up – according to a panel asked [illegible] report [illegible] in their [illegible] behaviour. Pillow talk secures more enduring changes in behaviour than pamphlets from [illegible] Health Education Authority.

Fragile evidence, but it is illustrative. Much [illegible] what [illegible] on "deep" in society remains impervious to efforts by the state to alter behaviour [illegible] officially been condemned. The category includes various labour market behaviours (demanding pay increases) and consumption (borrowing to pay for it) that even [illegible] liberal, free-[illegible] government [illegible] to [illegible] to stop.

If it is too hard to get us to stop [illegible] credit cards, how much more difficult is it for [illegible] government to prevent procreation, [illegible] dragoon women into marriage. And if the [illegible] cannot [illegible] demography, how can it change social poli[illegible]?

The intractability of behaviour at large (to use a favourite phrase [illegible] council's chairman, Professor Howard Newby) [illegible] an [illegible] left, [illegible] about col[illegible]. It [illegible] more [illegible] for the right, [illegible] in [illegible] ascendancy have [illegible] authority [illegible] the state when what people get up to in [illegible] private worlds [illegible] to be morally repugnant or to border on the [illegible].

Crime is the most striking example of behaviour [illegible] governments find difficult, if [illegible] impossible, [illegible] alter at source. Where indeed is the joystick for [illegible] government anxious about [illegible] urban [illegible]? The latest figures [illegible] in [illegible] of offences. The latest home secretary is trotted [illegible] to respond: [illegible] he, as usual, does not even begin to address the [illegible] of a coherent relationship [illegible] numbers of police, prison officers and judges and the level of [illegible] criminal.

Single parenthood; illegitimacy; Conservative ministers [illegible] become alarmed; the Centre for Policy Studies has cribbed grandiose schemes of social engineering [illegible] the American New Right to deal with them. The fact that government ministers never quite ended up with [illegible] family policy [illegible] surely because, [illegible] crime, child-bearing and [illegible] fissile [illegible] in man-woman relationships in modern Britain are shaped [illegible] which are too big and too complex for a liberal democratic state even to attempt to do anything about.

In what to positivists may look like an odd celebration of the council's 25th anniversary, Prof Newby tells policymakers that the capacity of the state is [illegible] by [illegible] long-run trend that [illegible] in the [illegible]. "Privatisation" [illegible] insulated people from the atten[illegible] of policymakers, their activities [illegible] more [illegible] for statisticians to [illegible], and for conviction politicians to change.

Governments are not powerless, [illegible] are they wholly ignorant. The point [illegible] that [illegible] interventions in the [illegible] should [illegible] place tentatively, locally, experimentally. If social and [illegible] reality is more intractable, the most appropriate style for both [illegible] investigator and policy-maker is, surely, humility. That certainly [illegible] not [illegible] Thatcher attribute. Mr John Major's "[illegible]" – [illegible] he was implying that government can rearran[illegible] social structure – sounded a disconcertingly positivist [illegible].

Governments can inform and seek to persuade people to shift of their own volition. But it [illegible] end of an inter[illegible] era, [illegible] the limits to the domestic reach of the British state are growing – a fitting parallel to the lack of international "sovereignty".

Conditions exist for messier, less predictable social policy implementation – and a [illegible] reduction in public expectations of government's capacity. When the next set of government [illegible] awry, when chancellor or home secretary yanks the policy lever but nothing happens, the weakness [illegible] should be no cause [illegible] regret.

The author presents [illegible] Four's Analysis [illegible]

LETTERS

Old taxation habits die hard

From Mr Liam Mulloy.

Sir, The article by Lucy Kellaway and Tim Dickson ("Painful birth of single market", December 19) said the first beneficiaries of single market principles are banks.

It is perhaps worth pointing out that the single market for Undertaking for Collective Investments in Transferable Securities (Ucits, or unit trusts in the UK), was agreed in December 1985 with an implementation deadline of October 1 1989.

A progress review reveals that only 290 or so funds have taken advantage of the legislation (which requires marketing and promotion activities to come under the host/destination country's control) and taken the cross-border plunge. Interestingly, the greatest barrier [illegible] increased cross-border activity [illegible] been the diverse distribution practices or cultural differences within the EC, but rather the stubborn national [illegible] in taxation practices.

Liam Mulloy,
[illegible] Waterhouse Consultants,
St Lambert Stre[illegible]
B-1200 Brussels, Belgium

UK exporters fear for their future if privatisation of ISG goes ahead

From Mr Anthony M.W. Platt, Lord Selsdon and Mr David Perry.

Sir, There is a growing level of concern among exporters throughout the country about the fate and future of the Insurance Services Group (ISG) of the Export Credits Guarantee Department (ECGD).

The matter has become urgent in view of the legislation being brought before the House in the next few days, and the options for exporters seem to be increasingly limited.

Big associations representing the vast majority of exporters using the facilities afforded by ISG have been sharing their concerns, which are as follows:

■ It [illegible] imperative [illegible] the existing level [illegible] service to exporters from [illegible] not [illegible] diminished, both in [illegible] covered and credit period available.

■ Many exporters, particularly smaller and medium-sized concerns, depend upon a policy to support their export activi[illegible] and their bank lending. Any change which diminished [illegible] quality of [illegible] security [illegible] thus [illegible] banks' ability to [illegible] would have [illegible] profound [illegible] potentially disastrous [illegible] upon [illegible] companies already struggling [illegible] high interest [illegible] and [illegible] reduced economy.

● If the decision to privatise and sell ISG is immutable, then there is an absolute duty of trust upon the government to [illegible] that the facilities available do [illegible] in any way. In this regard, we have [illegible] the possible purchaser of [illegible] private insurance [illegible] in London and elsewhere has neither the capacity nor [illegible] appetite to [illegible] the obligations routinely accepted by the ECGD.

It [illegible] vital, therefore, [illegible] government guarantees con[illegible] to [illegible] available [illegible] bridge [illegible] international competitive practice and the availability of cover in the pri[illegible].

We are concerned that the ongoing [illegible]t involvement [illegible] not be limited [illegible] three [illegible], but should continue to be available to British exporters on [illegible] the same [illegible] as those employed by [illegible] competitors.

■ There [illegible] what[illegible] EC countries [illegible] trading rivals are dismantl[illegible] armoury. There [illegible] no question [illegible] diminution in support for [illegible] of national [illegible] will [illegible] immediately harmful, [illegible] it is vital that, whatever arrangements [illegible] made, [illegible] support [illegible].

● In [illegible] difficult and competitive international climate, there is no desire among exporters to be presented with a monopoly as a *fait accompli*. [illegible] such a [illegible] strong safeguards would be necessary. It is worth noting [illegible] countries [illegible] continuing to provide competitive financial [illegible].

Anthony M.W. Platt,
chief [illegible], [illegible] Chamber of Commerce and Industry;
Lord Selsdon,
president, British Exporters Association; and
David Perry,
[illegible], Credit [illegible] Group

We would see some strange results with present hard Ecu proposals

From Professor Tim Congdon.

Sir, In their further thoughts on the hard Ecu proposal, Mr Patterson [illegible] Treasury ("HM Treasury fights criticism [illegible] Bulletin's hard Ecu proposal", December 13) and Mr Paul Richards ("A hard Ecu managed by EMF would not [illegible] inflationary", December 19) conjure up a strange vision. [illegible] the one hand, the European Monetary Fund is to issue hard Ecu liabilities, but hold only national currency assets (it is difficult to see what else the Treasury could mean in saying that hard Ecu liabilities are to be issued "only in return for [illegible] currencies"). On the other hand, commercial banks [illegible] be free [illegible] have both hard Ecu assets and liabilities.

At various points in their writings the Treasury and Mr Richards have claimed that by restricting EMF assets to national currencies, the introduction of the hard Ecu could not add to the money supply and would not be inflationary. But this restriction would be relevant only to the EMF. They do not want it to apply to commercial banks. Commercial banks would [illegible] be able to create hard Ecu deposits, and so new hard Ecu [illegible] balances, in the normal way by making new hard Ecu loans. The Treasury and Mr Richards appear to have conceded my point, [illegible] restriction [illegible] the EMF's [illegible] would not curb the money-[illegible]ating activities of the hard Ecu commercial banking system.

They admit [illegible] much when they [illegible] that changes in hard Ecu interest rates, [illegible] by the EMF, would be required [illegible] control hard [illegible] "broad money" (that is, commercial bank deposits) and would be the principal means [illegible] monetary control. They clearly believe monetary policy in a pan-European hard Ecu system would be analogous to that in national monetary systems. Here also they are wrong.

In a conventional monetary system the central bank holds assets denominated in terms of the national currency and accomplishes its interest-rate objectives by transactions in these assets (usually Treasury or commercial bills) with the banks. The [illegible] it sets on the bills determines short-term interest rates. But the Treasury and Mr Richards say the EMF could not [illegible] hard [illegible]. It therefore could [illegible] buy and sell hard Ecu [illegible] their price and [illegible] interest rates in the traditional manner.

The Treasury and Mr Richards may have [illegible] in mind, that the [illegible] could control hard Ecu interest rates by varying the [illegible] on its deposits. [illegible] question [illegible] why [illegible] EMF should have this power, as it would be only one player among many. [illegible] liabilities [illegible] special in some way (perhaps because of legal tender status), [illegible] commercial [illegible] – taking their cue on interest rate levels from existing national central banks – could be just as important as the EMF in setting the hard Ecu rates.

But, for the sake of argument, assume the EMF could control interest rates. Presumably the intention would be to raise interest rates if hard Ecu lending and broad money were expanding too rapidly. A very per[illegible] would [illegible] follow. The rise in interest rates might slow down hard Ecu lending by commercial banks, [illegible] EMF's own deposits more attractive [illegible] before. This would encourage people to switch out of national currencies into hard [illegible]. The growth of [illegible] might moderate, but only by causing [illegible] to expand [illegible] quickly.

Mr Richards performed a public service [illegible] putting the original proposals together and [illegible] making the Treasury start [illegible] think about fundamental questions on the meaning of "[illegible] monetary policy" [illegible] so on. But the propos[illegible]als, although imaginative, were not thought through properly. They [illegible] have [illegible] the basis [illegible] policy and should now be dropped.

Tim Congdon,
[illegible], Lombard Street [illegible],
c/o Gerrard [illegible]
[illegible] Lombard Street, [illegible]

هكذا من الأصل

FINANCIAL TIMES
Friday January 11 1991

NEW RANGE OF REGIONAL JETS

Aerospace groups plan consortium

By Paul Betts, Aerospace Correspondent, in London

[illegible] GROUP of leading [illegible] companies, including Aérospatiale [illegible] France, Deutsche Aero[illegible] [illegible] [illegible], plan [illegible] [illegible] [illegible] manufacturing [illegible]sortium to build a range of 80-[illegible] [illegible] regional jets.

The new group [illegible] [illegible] likely to include de Havilland [illegible] Canada, Mr Henri Martre, the Aérospatiale chairman, said yesterday.

The French group and Aer[illegible] [illegible] currently negotiating the acquisition of [illegible] Havilland from Boeing of the [illegible]. Mr Martre said there [illegible] good [illegible] [illegible] [illegible] [illegible] [illegible] completed in the [illegible] few [illegible].

The partners in [illegible] new [illegible]ture also [illegible] to pool their marketing networks [illegible] prod[illegible] in the commuter [illegible] regional airline [illegible] in [illegible] [illegible] group called International [illegible].

This would [illegible] the ATR turbopropellor aircraft jointly made by Aérospatiale and Aeritalia, Deutsche Aerospace's Dornier turboprop, [illegible] possibly [illegible] [illegible] Havilland [illegible] if the deal with Boeing is completed.

The [illegible] partnership would compete against [illegible] Aero[illegible], which [illegible] its [illegible] range of [illegible] [illegible] regional aircraft.

BAe recently announced plans to develop [illegible] 130-seat ver[illegible] [illegible] its [illegible] regional jet with [illegible] instead [illegible] four engines and is looking [illegible] partners to [illegible] in the $1bn development costs.

Fokker of [illegible] Netherlands is [illegible] planning [illegible] [illegible] 130-seat [illegible] [illegible] [illegible] twin [illegible] [illegible] 100.

[illegible] [illegible] Pierson, [illegible] chairman of Airbus Industrie, [illegible] [illegible] [illegible] week [illegible] [illegible] European large aircraft manu[illegible] [illegible] still interested in developing a smaller [illegible] version [illegible] [illegible] [illegible] twin engine jet.

For Aérospatiale, [illegible] planned [illegible] regional jet [illegible]sortium is part [illegible] [illegible] series of international partnerships [illegible] French state-owned group [illegible] negotiating [illegible] strengthen [illegible] [illegible].

Aérospatiale [illegible] holding [illegible] with McDonnell Douglas, [illegible] US [illegible] [illegible] over [illegible]sible collaboration in [illegible] guided [illegible] sector, Mr [illegible] said.

In the space sector, [illegible] French group [illegible] actively involved in setting up [illegible] European satellite consortium including [illegible] Aerospace and Aeritalia.

[illegible] partnership [illegible] [illegible] [illegible] close ties [illegible] [illegible] Aerospace in [illegible] US, [illegible] controlled by the [illegible] [illegible]. [illegible] three European partners are considering taking [illegible] 45 per cent stake between them [illegible] the [illegible] [illegible] [illegible] with Loral keeping the majority.

Among these, Aérospatiale and Deutsche Aerospace are also pooling their helicopter activities [illegible] a new venture [illegible] Eurocopter. Mr Martre yesterday renewed his invita[illegible] [illegible] [illegible] [illegible] the [illegible] [illegible] Agusta of Italy to join Eurocopter.

Mr [illegible] said Aérospatiale [illegible] [illegible] FFr32bn ($6.3bn) [illegible] year and [illegible] expected [illegible] total more than [illegible] [illegible] year.

Lithuanians warned of presidential rule

By Quentin [illegible] in Moscow and Leyla Boulton in Vilnius

LITHUANIA [illegible] yesterday given a virtual ultimatum by [illegible] president Mikhail Gorbachev [illegible] [illegible] [illegible] moves [illegible] independence.

Mr Gorbachev [illegible] [illegible] [illegible] threat of [illegible] imposition [illegible] direct presidential rule from [illegible], claiming that "the sit[illegible] [illegible] virtually reaching [illegible] [illegible] end," and that he had received numerous [illegible] [illegible] organisations [illegible] work collectives urging him [illegible] [illegible] control.

In [illegible] stat[illegible]t ringing with phrases of old-fashioned Communist propaganda, [illegible] [illegible]chev [illegible] [illegible] [illegible] [illegible] [illegible] for attempting "to [illegible] [illegible] [illegible]urgeois system... under slogans of democracy."

[illegible] appeal [illegible] [illegible] Lithuanian parliament was greeted with [illegible] [illegible] [illegible] [illegible] by [illegible] republican leadership.

[illegible] Vytautas Landsbergis responded with an appeal [illegible] [illegible] [illegible] for [illegible] diplomatic recognition. "Your determined actions will be capable of preventing new aggressi[illegible] acts," [illegible] said.

Yet [illegible] rejected Mr Gorba[illegible] appeal for [illegible] cancellation [illegible] all new [illegible] passed in [illegible] of [illegible] [illegible] constitu[illegible] as [illegible] worthy [illegible] reply.

The [illegible] leader's angry [illegible] threatening appeal fol[illegible] confirmation that [illegible] [illegible] 1,000 paratroops [illegible] [illegible] flown into the republic, [illegible]sibly [illegible] [illegible] conscription into [illegible] Soviet army. The deployment appeared [illegible] [illegible] in [illegible] [illegible] of [illegible]ances from the [illegible] [illegible]try [illegible] [illegible] [illegible] Moiseyev, [illegible] [illegible] of staff, [illegible] no [illegible] troops [illegible] be [illegible] to [illegible] [illegible] republics.

Neighbouring Latvia [illegible] [illegible] [illegible] [illegible] for [illegible] deployment of paratroops [illegible] [illegible] [illegible] draft, after thou[illegible] [illegible] [illegible] men opted for [illegible] military service [illegible] [illegible] republics in [illegible] [illegible] all-union [illegible] laws.

[illegible] [illegible] confrontation [illegible] brewing in Moldavia, Georgia, Armenia and the western Ukraine, where nationalist [illegible] have encouraged [illegible] draft-dodging.

The Georgian parliament [illegible] flatly refused [illegible] implement [illegible] presidential decree ordering Georgian police and security forces [illegible] leave the disputed region of South Ossetia, and allow all-union Interior [illegible]try troops to [illegible] order. Yesterday, [illegible] [illegible] of extra Georgian police [illegible] reported to have arrived in [illegible] [illegible].

In Moldavia, renamed Moldova, [illegible] minority Gagauz [illegible]ple are also ready to defy [illegible] presidential decree, refusing to disband their parliament [illegible] up to demand autonomy for [illegible] small region.

The question [illegible] [illegible] just how and [illegible] the [illegible] [illegible] will attempt to enforce [illegible] authority – and [illegible] military conscription – with [illegible] [illegible] [illegible] of force. [illegible] [illegible] republics [illegible] [illegible] given until Sunday night to comply [illegible] conscription [illegible] [illegible] show [illegible] sign [illegible] doing so. The appeal [illegible] [illegible] Lithuanian parliament, however, suggests that Mr Gorbachev is finally preparing for a showdown, not least through its use of old-style language.

"One should face the truth, [illegible] [illegible] the [illegible] [illegible] of the current situation," [illegible] said. "They [illegible] rooted in gross breaches of... the [illegible] of [illegible] [illegible] and the constitution of the [illegible] SSR, in infringement of [illegible] political [illegible] social rights of citizens, [illegible] in [illegible] desire, [illegible] slogans of democracy, [illegible] [illegible] a policy aimed at restoring [illegible] bourgeois system.

"The need to [illegible] out of [illegible] situation calls [illegible] [illegible] measures... People [illegible] the restoration of constitutional order, reliable guaran[illegible] [illegible] security [illegible] [illegible] living conditions. Having [illegible] [illegible] [illegible] [illegible] [illegible] policy being pursued by [illegible] present leadership, they [illegible] [illegible] introduction of presidential rule."

[illegible] Albertas [illegible] was [illegible] prime [illegible] yesterday by parliament.

[illegible] hands [illegible] iron [illegible] Page [illegible]

Soviet militiamen restrain demonstrators outside the Lithuanian parliament building in Vilnius

Defending with bare hands and songs

By Leyla Boulton in Vilnius

LITHUANIA is preparing for the worst as Moscow multiplies its threats against a people hungry for independence, but whose bare hands and songs are its only defence.

The capital, Vilnius, is buzzing with [illegible] about the arrival of paratroopers and tanks, and Soviet-inspired provocations [illegible] justify a military crackdown.

While the [illegible] are still much easier [illegible] find than [illegible] tanks, it is possible [illegible] Lithuanians' [illegible] [illegible] [illegible] now be justified. Few [illegible] [illegible] tough new conscription campaign is anything but a front for crushing the republic's drive for independence.

"Nothing [illegible] sacred for them," [illegible] Mr [illegible] Bakauskas, a businessman. "They [illegible] one thing [illegible] do [illegible]. They [illegible] [illegible] introduce their kind [illegible] order and introduce direct presidential rule."

Why indeed would [illegible] personnel carriers [illegible] outside [illegible] [illegible] [illegible] [illegible] they did on Wednesday for an operation [illegible] enforce conscription? [illegible] prevalent theory [illegible] is that [illegible] [illegible] [illegible] crush the republic's nationalist parliament while [illegible] world [illegible] on the January 15 deadline for Iraq [illegible] pull [illegible] [illegible] Kuwait. The [illegible] Army's [illegible]line for using force against draft dodgers is J[illegible] 14.

"There is [illegible] direct link with the Gulf crisis," [illegible] Mr Gediminas Vagnorius, a leading member [illegible] [illegible] Lithuanian parliament. "They could have started enforcing [illegible] call-up [illegible] autumn. They [illegible] this opportunity only [illegible] of the United [illegible] deadline."

This conviction will have been reinforced by [illegible] Mikhail Gorbachev's appeal [illegible] the republican parliament to rescind [illegible] taken in defiance of the Soviet [illegible]itution, including everything [illegible] depu[illegible] [illegible] [illegible] [illegible] [illegible] their [illegible] towards independence.

And his claim that "normal living [illegible] and [illegible] guarantees of security" [illegible] absent in Lithuania sounded like [illegible] justification [illegible] [illegible] crackdown.

In fact, life in Vilnius continues virtually as normal except in the immediate vicinity of parliament. [illegible] shops [illegible] no [illegible] empty than shops in any other [illegible] provincial city, and people [illegible] [illegible] [illegible] without any apparent fear [illegible] their lives. It is [illegible] [illegible] surprising that [illegible] Lithuanians [illegible] [illegible] [illegible] [illegible] artificially [illegible] [illegible] with the [illegible] minority than spontaneous [illegible].

[illegible] only [illegible] [illegible] thou[illegible] [illegible] singing [illegible] [illegible] gathered around the Lith[illegible] parliament [illegible] [illegible]day [illegible] their passionate attachment [illegible] [illegible] [illegible] [illegible] their independence.

Only [illegible] [illegible] metres [illegible], a counter-demonstration by [illegible] pro-Soviet [illegible] (Unity) organisation dispersed without [illegible] [illegible] [illegible].

[illegible] only protest reported by the [illegible] Soviet media in [illegible] was the pro-Soviet demonstra[illegible].

On Tuesday [illegible] [illegible] an attempt by pro-Soviet [illegible] [illegible] to burst into [illegible] building, [illegible] by [illegible] Lithuanians [illegible] a [illegible] rehearsal for a full-scale provocation.

[illegible] [illegible] [illegible] of volunteers from Lithuania's defence [illegible] [illegible] [illegible] inside the building waiting for an attack, but they [illegible] [illegible] are unarmed.

One of the guards, Nadonas Laimis, an 18-year-old who is wanted for service in the Red Army, said he would fight with his bare hands.

"I am a Lithuanian, I want to serve in my own army. I will resist. I am not alone," he said.

But fear has already begun to fan mutual suspicions and counter-accusations. According to one of the more paranoid theories, the decision by Mrs Kazimiera Prunskiene, the Lithuanian prime minister, to triple food prices this week was part of a Moscow plot to destabl[illegible] the republic.

● In [illegible] face [illegible] a [illegible] [illegible]frontation within [illegible] [illegible] republics, [illegible] president [illegible] [illegible] said yesterday [illegible] it [illegible] vitally important that Finland [illegible] friendly [illegible] with Moscow [illegible] Enrique [illegible] in Helsinki.

[illegible] said that [illegible] primary [illegible] of [illegible] [illegible] to [illegible] [illegible] [illegible] and [illegible] [illegible] that the Baltic republics [illegible] not rely on foreign support for [illegible] independence aspirations, [illegible] should directly negotiate with Moscow to [illegible] [illegible] [illegible] conflict.

Norwegian government proposes fund for ailing banks

By [illegible] Fossli in Oslo

THE Norwegian government yesterday intervened in [illegible] deepening [illegible] in [illegible] country's banking system [illegible] proposed [illegible] NKr5bn ($847m) "bank [illegible] fund". Mr [illegible] [illegible], [illegible] [illegible] minister, described the fund [illegible] [illegible] "extra buffer" to [illegible] [illegible] [illegible] guarantee [illegible].

[illegible] [illegible] [illegible] [illegible] [illegible] into a separate government [illegible] and provide [illegible] loans [illegible] [illegible] Commercial Banks' [illegible] Fund and [illegible] Savings [illegible] [illegible] Fund, [illegible] [illegible] Ministry [illegible].

"The [illegible] [illegible] (from [illegible] [illegible] fund) will [illegible] [illegible] the safety [illegible] [illegible] [illegible] [illegible] two deposit guarantee funds."

Mrs Gro Harlem [illegible]tland, [illegible] prime minister, warned [illegible] [illegible] [illegible] [illegible] [illegible] designed to [illegible] [illegible] banks' responsibility to [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] [illegible] from the fund once they [illegible] [illegible] profitability.

The banks' problems [illegible] from [illegible] [illegible] Norway's oil-dependent [illegible] [illegible] [illegible] reeling by a fall [illegible] world [illegible] [illegible] prices [illegible] [illegible] [illegible] [illegible] [illegible]rel, their lowest level in a decade.

This caused record unemployment [illegible] bankruptcies and [illegible] plunge in the value of [illegible] for [illegible]. The [illegible] [illegible] property [illegible] [illegible] example, [illegible] [illegible] [illegible] [illegible] declined by [illegible] 10 per [illegible] annually.

After [illegible] [illegible] of [illegible] credit losses, confidence in Norway's banking system [illegible] been eroded. [illegible] tendancy increased just [illegible] Christmas [illegible] Den norske Bank (DnB) [illegible] Christiania, [illegible] country's [illegible] [illegible] [illegible], announced big rises in [illegible] credit [illegible] provisions.

DnB [illegible] [illegible] [illegible] credit losses [illegible] reach NKr3.83bn-NKr600m above [illegible] comparable figure for 1989; [illegible] forecast record credit [illegible] of NKr2.68bn, double [illegible] of 1989.

Separately, Fokus Bank, [illegible] country's third [illegible] [illegible], forecast net losses [illegible] NKr600m in 1990 [illegible] [illegible] a NKr980m [illegible] on [illegible] [illegible] guarantees. Fokus was [illegible] to [illegible] a three-year [illegible] [illegible]tee from the commercial banks' guarantee fund and [illegible] [illegible] its [illegible] capital by 50 per cent.

[illegible] DnB [illegible] [illegible] [illegible] they [illegible] apply [illegible] up [illegible] NKr1bn from [illegible] NKr4.2bn guarantee [illegible] [illegible] the [illegible]cial banks.

Iraq bought satellite photographs

Continued [illegible] [illegible] 1

[illegible] [illegible] the targetted areas [illegible] [illegible] region, [illegible] [illegible] [illegible] [illegible] perspectives, allowed the Iraqis [illegible] [illegible] [illegible] territory and [illegible] [illegible] map a route for an [illegible] and identify potential points [illegible] [illegible] [illegible] [illegible] Kuwaiti [illegible].

Satellite experts in Washing[illegible] [illegible] [illegible] civilian [illegible] [illegible] in exploring land for urban planning only require pictures [illegible] [illegible] angle. Military [illegible] [illegible] pictures [illegible] two [illegible] [illegible] [illegible]spectives [illegible] gain an impres[illegible] of the high [illegible] [illegible] and [illegible] physical dimensions [illegible] potential targets.

This tends [illegible] [illegible] Iraq's claim at the time [illegible] [illegible] [illegible] [illegible] [illegible] was unpremeditated and [illegible] [illegible] provoked by Kuwaiti intransigence on [illegible] [illegible] as [illegible] production levels and outstanding loans [illegible] Baghdad.

Spot was sufficiently [illegible] by the Iraqi [illegible] [illegible] [illegible] on [illegible] [illegible] [illegible] [illegible] [illegible] subsequently [illegible] [illegible] [illegible] [illegible] [illegible] customer [illegible] Baghdad, [illegible] National Remote [illegible] Centre, a front organisation [illegible] the Iraqi government. Asked [illegible] he [illegible] [illegible] on [illegible] [illegible] the [illegible] request to [illegible] [illegible] US authorities, [illegible] [illegible] whom would [illegible] [illegible] [illegible] as potentially [illegible] intelligence, Mr [illegible] [illegible] "I [illegible] [illegible] I am [illegible] [illegible] [illegible] anything we did, [illegible] I am [illegible] saying [illegible]thing against [illegible] [illegible] have."

THE LEX COLUMN

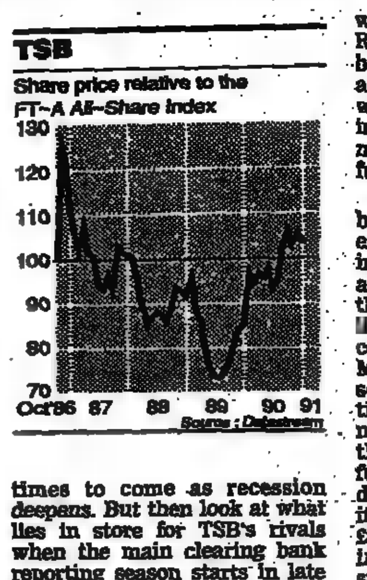
Saatchi launches the lifeboat

In some respects, the proposed re[illegible]ruction of Saatchi [illegible] Saatchi could have been worse. Shareholders are not required [illegible] put [illegible] any more money and the banks are not taking any equity entitlement. The snag is [illegible] in seeking to establish equality of pain among the various classes of stockholder, the scheme puts them at each others' [illegible]. Equity holders [illegible] [illegible] aggrieved [illegible] being [illegible] with only 30 per cent of their company. The Euroconvertible holders can argue that since they own the largest chunk of the company's value, have prior charge over its assets and are presently entitled to repayment on terms which renders [illegible] equity worthless, ordinary shareholders are getting more than they deserve.

If haggling is to be done, it might occur to the stockholders that fighting each other is a tactical error. From their viewpoint, the real snag about the scheme is that it relies too heavily on replacing the existing £311m of preference with equity rather than with fixed [illegible] paper. The more equity [illegible] is, [illegible] [illegible] [illegible] Saatchi's [illegible] and the [illegible] [illegible] all [illegible] [illegible] [illegible]. The [illegible] [illegible]fore [illegible] a common adversary.

Granted, [illegible] banks [illegible] a powerful [illegible] [illegible] [illegible] of bank debt is due for refinancing in January 1993. That simply will not happen if a further £211m still has to be found six months later to pay off the Euroconvertible. In other words, if [illegible] [illegible]ancing scheme were rejected there would be no alternative for Saatchi but self-liquidation over the next two years, in which case there might be nothing left for any class of stockholder at all. To resolve the argument, what Saatchi must do is convince its owners that its prospects in three [illegible] [illegible] render [illegible] new equity attractive in itself. It might be [illegible] good start to save the £600,000 still being spent on the upkeep of tho[illegible] responsible for [illegible] whole fiasco, [illegible] brothers Saatchi themselves.

TSB



It is [illegible] the done [illegible] in the Square Mile for chairmen to excuse [illegible]r annual figures by protesting that the opposition's will be appalling too. But Sir Nicholas Goodison could be excused yesterday for doing so. In [illegible] [illegible] half of 1990, TSB's UK bad debt provisions more [illegible] doubled to £178m, obliterating Hill Samuel's banking profit margins, [illegible] the prospect [illegible] still harder times to come as recession deepens. But then look at what lies in store for TSB's rivals when the main clearing bank reporting season starts in late February. If Barclays Bank's UK corporate loan book suffered as badly in the second half of 1990 as did Sir Nicholas's, then Barclays might find itself with UK bad debt provisions totalling £910m altogether for last year. No wonder Barclays is offering its staff a mere 7 per cent pay rise.

TSB's own results are still very much a tale of two banks. The full benefits of last year's 4000 job losses are yet to come, but even so the retail division's profits were up 40 per cent. Some of this can be explained as the result of a £34m fall in TSB's pension contributions; but it nonetheless looks as if TSB's new management is completing its first task of getting the retail bank firing on all cylinders. So the spotlight falls inescapably upon the future prospects for the corporate banking division, which lost £40m last year.

Now that Target Life has gone, should TSB bite the bullet with Hill [illegible] and admit it should [illegible] out of [illegible] business too? The stock market's mind seems made up about the issue. Given the relatively high quality of TSB's retail [illegible] and [illegible] [illegible] earnings, it [illegible] only [illegible] the [illegible] of Hill Samuel which dictates a share price of 132p, putting the group's market value [illegible] just 1.1 times shareholders' funds.

LIG

Perhaps only [illegible]. Warburg would have the nerve [illegible] [illegible] up a rights issue [illegible] the [illegible]dle East is on the brink of war. But the £62m cash call at Lon[illegible] International Group has been [illegible] [illegible] time coming. The company's finances are crying [illegible] for new equity; and, as with Warburg's rights issue for Rosehaugh a year ago, it may be better to get it over in January than wait until the spring, when a poor corporate reporting season might have undermined market sentiment still further.

The LIG issue is not, to be blunt, an irresistible deal for existing shareholders. Its proximate [illegible] [illegible] that LIG's balance sheet is overshadowed by the £60m liability for a convert[illegible] bond which it will almost certainly have to redeem in March next year. This is scarcely a comfortable position, given that LIG's net debt now totals £148m, against less than £100m of shareholders' funds at the last balance sheet date. How, though, did LIG get itself into this fix? Its proposed £8m write-off of its investment in Spanish photo-processing suggests that this is not a management which has made the best use of its capital in the past. The 6.5 per cent yield on the new shares may not be a sufficient reward for investors.

Markets

The behaviour of world markets yesterday confirms how little had been expected of the Geneva talks in the first place. Wednesday's momentary bubble has vanished, leaving the oil price only $1.25 up on Tuesday's close and European markets – the UK included – modestly up over the two days. Tokyo, which was asleep while all the excitement was going on, was consequently unmoved. The equity market most affected, and only modestly at that, was Wall Street. This is perhaps understandable given that the US will be doing most of the fighting.

All this is not to say, of course, that the markets would be unmoved by the outbreak of war itself. In the short term, the determining influence in the event of war would doubtless be the price of oil. But while an immediate jump in the spot price would be natural enough, a real market price of $50 hardly seems sustainable unless material damage is done to production outside Iraq and Kuwait. All the while, the oil market remains acutely aware of the possibility that war will be avoided, in which case the present price of $27 would be unsustainably high. The notion that the outbreak of war would represent a buying opportunity for equities always looked foolish. The converse, that it would mean a dramatic collapse, cannot be taken for granted either.

WORLDWIDE WEATHER

		°C	°F
Ajaccio	F	16	61
Algiers	S	16	66
Amsterdam	C	10	50
Athens	S	17	63
Bahrain	S	20	68
Bangkok	C	33	91
Barcelona	S	18	64
Beirut	–	–	–
Belfast	C	2	36
Belgrade	S	14	57
Berlin	C	14	57
Biarritz	C	17	63
Bombay	S	25	77
Bordeaux	F	18	64
Boulogne	R	9	48
Brussels	C	11	52
Budapest	C	5	41
Buenos Aires	C	30	86
Cairo	F	20	68
Cape Town	S	24	75
[illegible]	C	26	79
Casablanca	S	19	66
[illegible]	C	-6	21
[illegible]	R	12	54
Copenhagen	C	9	[illegible]
Corfu	[illegible]	15	59
Dallas	[illegible]	6	43
Dublin	[illegible]	4	39
Dubrovnik	[illegible]	14	57
Edinburgh	F	3	37
Faro	F	18	64
Florence	F	13	55
Frankfurt	C	15	59
[illegible]	C	11	52
[illegible]	S	18	64
Glasgow	F	4	39
Helsinki	C	1	34
Hong Kong	C	16	61
Innsbruck	F	6	43
Inverness	R	3	37
Islamabad	F	[illegible]	61
Istanbul	F	10	50
Jakarta	R	29	84
Jersey	C	10	50
Johannesburg	F	20	68
Lima	F	24	75
Lisbon	C	[illegible]	61
London	S	9	48
Los Angeles	S	6	43
Luxembourg	R	11	52
Madeira	C	17	63
Madrid	C	12	54
Majorca	F	[illegible]	[illegible]
Malaga	S	18	64
Malta	[illegible]	17	63
Manchester	R	5	41
Manila	F	[illegible]	95
Melbourne	[illegible]	[illegible]	[illegible]
Mexico City	–	–	–
Miami	R	23	73
Milan	C	3	37
[illegible]	[illegible]	-11	12
Moscow	[illegible]	2	[illegible]
Munich	S	15	59
Nairobi	–	–	–
Naples	F	15	59
Nassau	–	–	–
New Delhi	S	17	63
New York	S	3	37
Nice	F	14	57
[illegible]	S	18	64
[illegible]	R	15	59
[illegible]	Sn	-1	[illegible]
Paris	R	[illegible]	[illegible]
Peking	S	1	34
Prague	[illegible]	15	59
Reykjavik	F	-2	28
Rhodes	F	16	61
Rio de Janeiro	F	33	92
Rome	F	17	63
Salzburg	[illegible]	11	52
San Francisco	S	6	43
Seoul	[illegible]	1	34
Singapore	F	32	90
[illegible]	[illegible]	0	32
Strasbourg	C	17	63
Sydney	S	28	82
Taipei	C	20	68
Tangier	S	14	57
Tel Aviv	S	17	63
[illegible]	[illegible]	18	64
Tokyo	[illegible]	11	52
Toronto	Sn	-8	18
Tunis	S	16	61
Valencia	S	19	66
Venice	[illegible]	8	46
Vienna	[illegible]	4	39
Warsaw	C	9	48
Washington	S	4	39
Zurich	S	14	57

[illegible] midday yesterday C–[illegible] Dr–Drizzle F–Fair Fg–Fog [illegible] R–Rain S–Sunny Sl–Sleet [illegible] T–Thunder

FINANCIAL TIMES

COMPANIES & MARKETS

 Friday January 11 1991

INSIDE

Scott Paper plans $100m write-off

Scott Paper, the world's largest producer of toilet tissue, paper towels and napkins, [redacted] yesterday that it plans take a write-off [redacted] around $100m in the fourth quarter [redacted] 1990, ahead of a disposal programme [redacted] peripheral activities. The [redacted] write-off equates to around [redacted] share. Analysts [redacted] been forecasting full-year earnings of around [redacted] $2.71 in the [redacted] nine months. However, [redacted] Paper [redacted] – which have taken [redacted] fall recently – gained $3/8 [redacted] $37 3/8 on the news yesterday. Page [redacted]

New challenges for Fletcher

Fletcher Challenge, [redacted] New Zealand-[redacted] international forestry group, [redacted] rapidly developing important energy [redacted] Already [redacted] world's largest producer [redacted] methanol, Fletcher has, through [redacted] Petrocorp subsidiary, [redacted]lished [redacted] Zealand's foremost oil [redacted] explorer, [redacted]tributor and [redacted] The group [redacted] into oil exploration in Indonesia, Canada, Thailand, the Philippines, Australia and Colombia and recently won [redacted] foreign [redacted] exploration licence in mainland China. Dai Hayward in Wellington reports. Page 18

Fright of a white Christmas

A white Christmas [redacted] California [redacted] a nightmare for farmers. Cold temperatures and heavy frosts [redacted] widespread damage to fruit and vegetable crops and [redacted] agricultural industries [redacted] expected [redacted] than $1bn this year. [redacted] greater concern [redacted] the [redacted] this winter weather may have upon growth in the [redacted] $17.5bn agricultural industry. Page 26

Skase resigns from Qintex

Christopher Skase (left), the former financial journalist who built the crashed Qintex Australia [redacted] into multi-billion [redacted] property, media and leisure empire, [redacted]terday resigned as [redacted] blaming bankers and [redacted] for [redacted] problems. Qintex, which [redacted] the Channel [redacted] network, a string of luxury holiday [redacted] and widespread property interests, entered receivership 14 months ago. Page 18

Latin America's best and worst

Latin America produced the best performing stock market of 1990 – it also produced the worse. Economic optimism in Venezuela helped the market increase by 555 per cent in dollar terms. The attempted takeover of Banco [redacted] Venezuela [redacted] lifted share prices. [redacted] Brazil, however, [redacted] took fright when the newly elected President [redacted] Collor [redacted] Mello froze assets in March. In [redacted] terms, shares [redacted] by 67.7 [redacted] Back page.

Market Statistics

Companies in this section

Chief price changes yesterday

FRANKFURT (DM)			
Rises			
BASF	203.4	+	4.9
Bayer	221	+	5.8
Siemens	460	+	4.6
Falls			
Beiersdorf	740	–	15
Bil & Berg	751	–	24
Leifheit	717	–	9
NEW YORK ($)			
Rises			
Apple Comp	47	+	1 3/4
General Motors	32	+	1/2
IBM	107 5/8	+	3/4
Philip Morris	48 3/4	+	3/4
The Limited	18	+	3/4
UAL	114 3/4	+	2 3/4
PARIS (FFr)			
Rises			
Dass Aviation	424	+	18.7
Elf Gabon	1490	+	129
Thomson-CSF	130.2	+	5.6
Falls			
Av Hav Media	191	–	20
Hachette	149	–	10
Havas	423.5	–	22.3
TOKYO (Yen)			
Rises			
Chiyoda	780	+	55
Nippon Pipe	1080	+	80
Nitto Boseki	565	+	46
Falls			
Hooshu Paper	1280	–	200
Kyodo Printing	1530	–	300
Seiko	2650	–	500

New York prices as at 12.30pm.

LONDON (Pence)			
Rises			
BICC	342	+	4
Eurocopy	167	+	10
Goldsmiths	40	+	3
Racham	550	+	15
Telfos	137	+	5
Falls			
Allied-Lyons	479	–	11
BAA	387	–	9
Davies Newman	190	–	10
Dowty	151	–	13 1/2
GWR	228	–	20
Haden MacLellan	102	–	9
Ladbroke	235	–	9
London Intl	216	–	23
Pearson	844	–	16
Ricardo Intl	96	–	8
Saatchi	24	–	10
Savills	41	–	5
Smiths Inds	218	–	6
Steetley	326	–	16
WPP	74	–	4

Saatchi unveils reconstruction plan

By Alice Rawsthorn in London

SAATCHI & Saatchi, the [redacted] advertising group, yesterday unveiled proposals for [redacted] radical reconstruction to salvage [redacted] finances. It [redacted] announced [redacted] salary [redacted] for its directors including [redacted] and Maurice, [redacted] brothers.

The proposals involve replacing Saatchi's £211m ($406.5m) Europreference shares [redacted] UK preference [redacted] with [redacted]bination of [redacted] ordinary and preference shares. This will involve extremely heavy dilution for existing ordinary [redacted]ers who will emerge [redacted] 30 per [redacted] of the enlarged ordinary share capital.

[redacted] Charles Scott, [redacted]tor, [redacted] was essential to [redacted] survive beyond January [redacted] present banking [redacted] He [redacted] would [redacted] highly unlikely [redacted] still facing [redacted] of having [redacted] Europreference [redacted] in July [redacted]

Saatchi's ordinary shares fell by 9½[redacted] 24½[redacted] yesterday. The ordinary [redacted] Saatchi, now [redacted] heavy [redacted] crippling [redacted] regarded [redacted] one [redacted] the world's [redacted] ful advertising [redacted]

Saatchi also plans to cut central costs by reducing the salaries of its main board directors and moving out of its opulent headquarters on London's Berkeley Square. Charles and Maurice Saatchi are cutting their salaries from the £625,000 stipulated in their contracts to £312,500.

Mr Robert Louis-Dreyfus, the Frenchman who joined Saatchi a year ago as chief executive to orchestrate its restructuring, will take a salary cut from his contractual entitlement of £500,000 to £300,000. The other directors will accept cuts of about 10 per cent.

Mr Louis-Dreyfus, who comes from one of Europe's wealthiest families, is personally underwriting £5m of new equity to be made available to employees. He said he would subscribe for an unspecified portion of the equity and that he expected the Saatchi brothers to do the same.

Saatchi, advised by S. G. Warburg in London and Donaldson Lufkin & Jenrette in New York, has been embroiled in intricate negotiations over the reconstruction since the autumn. Under the proposals, [redacted] bridge fund will provide £20m of new [redacted]ordinated debt. Mr Louis-Dreyfus said he hoped to secure [redacted] increase in [redacted] existing £200m banking [redacted] extend those facilities beyond their expiry date of January 1993.

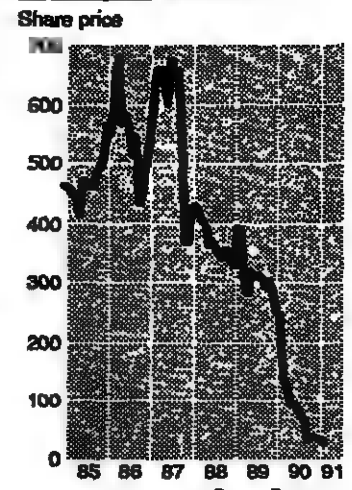
Saatchi needs to secure the consent of a majority of all three classes of shareholders and its banks to implement the proposals. The documentation should be completed by mid-February and extraordinary general meetings will [redacted] held three weeks later.

If [redacted] reconstruction goes through, Mr Scott said Saatchi's future would be secure and it would [redacted] "no problem" in [redacted]vicing its debt. So far Saatchi's advertising agencies have continued to perform well, despite the group's financial difficulties.

Lex, Page 16

Saatchi & Saatchi

Share price



Source: Datastream

Ford Motor maintains dividend

By Martin [redacted] in New York

FORD Motor, [redacted] largest [redacted] manufacturer [redacted] the US, yesterday confounded Wall Street speculation by maintaining its [redacted] in [redacted] of a crumbling [redacted] car [redacted]

But the company [redacted] that [redacted] in [redacted] payout [redacted] likely [redacted] or [redacted] Gulf [redacted]

Ford, along with General Motors and Chrysler, [redacted] big [redacted] manufacturers, [redacted] expected [redacted] report big losses [redacted] year-end [redacted] month.

Analysts [redacted] could [redacted] the fourth quarter, with [redacted] posting [redacted] $1.4bn and Chrysler, [redacted] $130m.

All [redacted] suffering [redacted] demand – [redacted] light [redacted] 5.1 per [redacted] – and [redacted] Japanese competition.

Many analysts [redacted] predicted [redacted] weakening [redacted] Ford [redacted] quarterly [redacted] first quarter of 1989. News that [redacted] was being maintained sent the shares higher, and at lunchtime they were quoted at $25¼, up $¾.

Many Wall Street analysts said Ford had been [redacted]e not to cut [redacted] the [redacted] clearer.

Several noted that its balance sheet remained strong, as did its ability to borrow to cover future [redacted]

Some questioned whether the decision might weaken the company's capital spending plans at a time when it needs to move more quickly with new model introductions [redacted] compete [redacted] Japanese. But [redacted] Gilmour [redacted] would [redacted] put [redacted] on [redacted]

[redacted] had [redacted] large cash [redacted] attempt [redacted] Mr Gilmour [redacted] Ford [redacted] in [redacted] It [redacted] "scandalously high amount".

He [redacted] pany's [redacted] year had [redacted] reached [redacted]

SATURN EMERGES AMID THE CLOUDS

The North American International Auto Show opens tomorrow in Detroit with the US automotive industry facing acute uncertainty over its prospects as the Gulf crisis intensifies, [redacted] Kevin Done in Detroit.

The "big three" US carmakers – General Motors, Ford and Chrysler – are all expected to report substantial losses for the final quarter of last year in the face of falling sales, reduced production and fierce price competition.

US car sales fell last year by 5.2 per cent to 9.3m and the industry is braced for a further decline this year.

General Motors, the world's leading carmaker, is currently launching its new Saturn range (pictured above) in the US.

The car was developed over seven years at a cost of almost $4bn in a last-ditch attempt to meet Japanese competition. GM was also determined to prove that a US carmaker can manufacture and develop small cars profitably in North America.

The Saturn launch has gone more slowly than hoped, but GM claims that initial Saturn sales in California show it is winning over potential buyers of imported cars.

Daiwa to advise on formation of Soviet exchange

By Quentin Peel in Moscow

[redacted] Securities, [redacted] Japan's leading financial institutions, [redacted] a [redacted] deals [redacted] provide consultancy [redacted] training [redacted] exchange [redacted] to [redacted] ministry [redacted] finance.

The agreements [redacted] significant incursion into [redacted] Soviet [redacted] by [redacted] Japanese [redacted] house, [redacted] Mikhail Gorbachev's trip to Japan in April, and before there has been any political settlement of the dispute over the status of the Kurile islands.

However, Daiwa is not prepared to commit itself to any future investment plans until the political dispute between the two countries is settled.

The new agreements include providing advice and consultancy on the formation of security markets, on banking reform, on privatisation of state enterprises and on the creation of joint stock companies.

And the very first piece [redacted] advice given by Daiwa is that the two proposed stock exchanges being organised in Moscow should be merged into one.

"I have already said the two stock exchanges should combine into one," said Mr Minoru Mori, chairman and chief executive of the London-based Daiwa Securities (Europe). "If they want a second stock exchange perhaps it should be in Nakhodka," he added, referring to the port in the Soviet Far East – just 600km from Japan – which is planning to set up a free economic zone to attract Japanese and Korean investors.

The agreements were signed by [redacted] Yoshitoki Chino, the chairman of [redacted] Securities in Tokyo, [redacted] organisations, including [redacted] Soviet ministry of finance, the Russian Feder[redacted] ministry [redacted] finance, [redacted] Commission for Economic [redacted] by Dr [redacted] Abalkin, [redacted] deputy prime minis[redacted] International Stock Exchange and the Institute of World Economy and International Relations (Imemo).

"It is the first time in the history of Japanese-Soviet relations that the chairman of a major financial company came to the Soviet Union and made a number of breakthrough agreements," said Dr Rair Simonyan, a department head at Imemo.

The deals include free training facilities provided by Daiwa, in London, Tokyo and other financial centres, for future operators in the Soviet stock exchange, which is only just beginning to set up operations.

Mr Mori said he expected "normal diplomatic relations" [redacted] established after [redacted] Gorbachev's visit [redacted] Japan. "From that point [redacted] view, I think [redacted] commercial and financial relations should start immediately after April," he said. "We just started a little bit in advance."

The Japanese government has been reluctant to provide assistance until the settlement of a dispute over the Kurile Islands, now under Soviet control, but Tokyo [redacted] continuing toughness will [redacted] out of step with international goodwill towards Moscow.

Moscow [redacted] wartime [redacted] control [redacted] Kurile islands [redacted] the north Pacific. Japan [redacted] the four disputed islands [redacted] part [redacted] Kurile chain.

KIO offshoot sells refinery

By Tom Burns in Madrid [redacted] David Owen in London

ERCROS, Spain's largest [redacted] producer [redacted] main shareholder is controlled by the Kuwait Investment Office (KIO), yesterday sold its petrochemical division, Ertoil, to the Luxembourg-based investment group, General Mediterranean Holding for a reported Pta45bn ($478m).

Ercros said the sale of its refining centre, located in Huelva, southern Spain, was part of a strategic decision to withdraw from activities in which it was unable to compete on an international level.

Yesterday's announcement - which came amid the worsening Gulf crisis - heightened speculation that the London-based KIO was seeking to shed investments.

However, governor [redacted] the [redacted] central [redacted] Sheikh Salem [redacted] Aziz al-Sabah, speaking [redacted] Financial [redacted] yesterday before the announcement, appeared partially to refute this specul[redacted]

Sheikh Salem said that the KIO had yet to reach the point where it was forced to liquidate large quantities of its stock, bond and property holdings – although it would be forced to do so if the Middle East crisis dragged on.

"It depends on the time factor; the longer it takes to solve the [redacted] question, the higher the possibility [redacted] liquidating," [redacted] "After [redacted] period of [redacted] liquid [redacted] would [redacted]"

[redacted] – the result of a [redacted] between [redacted] Explosivos [redacted] Tinto [redacted] and the [redacted] controlled fertiliser company, Cross, in 1988 – has been spending heavily to rationalise its fertilising division.

The group is estimated to have made net profits of Pta8bn last year after incurring first-quarter losses of Pta1.4bn due to heavy restructuring charges.

Ercros, is 38 per cent owned by Torras Hostench, a holding com[redacted] that is 76 per cent owned by [redacted] KIO [redacted] acts as the [redacted] Kuwaiti investment arm in Spain. Trading [redacted] Ercros, 35 per cent owned by foreign institutions, [redacted] suspended yesterday on [redacted] stock market.

TSB reveals disappointing results

By David Barchard in London

TSB GROUP yesterday unveiled disappointing pre-tax profits for [redacted] after making heavy [redacted] on its corporate lending.

The figures were the first set of annual results announced this year by a large UK bank and they raised fears in the city of further bad [redacted] when [redacted] 'big four' clearers publish their annual [redacted] next month.

Though [redacted] group pre-tax profits were £312m ($589.6m), against £155m a year ago, its figures in 1989 included exceptional provisions of £201m [redacted] restructuring. The [redacted] performance [redacted] mainly from corporate banking which [redacted] against [redacted] £61m profit in the previous [redacted] provisions of [redacted] against bad [redacted]

[redacted] Goodison, [redacted] chairman, blamed [redacted] showing of the group's [redacted] banking [redacted] difficulties of industry in a period of deepening recession. The division mainly consists [redacted] Hill [redacted] City [redacted] bank bought amid [redacted] protests [redacted] by [redacted] in 1987. Until then, [redacted] had concentrated almost entirely on personal customer business.

The results also included an extraordinary charge of £80m for provisions against losses by Target, the group's unit-linked [redacted] assurance subsidiary [redacted] Equity [redacted] Law [redacted] earlier [redacted]

Profits from [redacted] banking [redacted] cent at £258m [redacted] £184m [redacted] year [redacted] and insurance and [redacted] services made £114m, [redacted] by 37 per [redacted] (on [redacted] in 1989.

هكذا من الأصل

INTL COMPANIES AND FINANCE

Skase resigns as chairman of failed Qintex Australia

By Kevin Brown in Sydney

MR CHRISTOPHER Skase, [illegible] former financial journalist [illegible] built the [illegible] Qintex [illegible] (QAL) [illegible] into [illegible] multi-billion [illegible] property, [illegible] leisure empire, yesterday resigned [illegible] chairman, blaming bankers [illegible] communists for his problems.

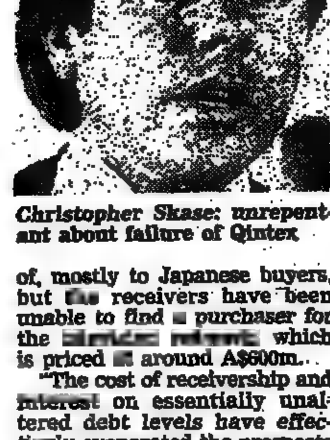
Qintex, which owned [illegible] Channel [illegible] network, a string [illegible] luxury holiday resorts [illegible] widespread property interests, [illegible] put into receivership by [illegible] Victo[illegible] court 14 [illegible] ago.

Mr [illegible] resignation will [illegible] no [illegible] on [illegible] future [illegible] company's assets, [illegible] being administered by receivers from [illegible] Marwick, [illegible].

[illegible] statement [illegible] in Brisbane, [illegible] Skase's home town, showed [illegible] remained unrepentant about the failure of Qintex, which had debts of around A$2.1bn ($1.62bn) and assets of A$1bn when the receivers moved in.

Mr Skase said his decision to resign was partly [illegible] by the failure of the [illegible] to achieve [illegible] significant [illegible] in [illegible] group's [illegible].

[illegible] property [illegible] disposed



Christopher Skase: unrepentant about failure of Qintex

of, mostly to Japanese buyers, but [illegible] receivers have been unable to find [illegible] purchaser for the [illegible] which is priced [illegible] around A$600m.

"The cost of receivership and [illegible] on essentially unaltered debt levels have effectively evaporated the prospects [illegible] any financial return to all except the senior secured lenders," he said.

Mr Skase said he and his family stood to lose more than A$100m from the collapse of Qintex.

"With shareholders funds at QAL of over A$1bn in July 1989, this grim prospect for all but a small minority is a graphic illustration of the inexpert combination of accountants and bankers, and the further deterioration of the Australian economy," he said.

"While the communists and socialists within Australian society are rejoicing in the destruction of the so-called entrepreneurs, the future of Australia as a classless society dominated by the state and bureaucrats is a frightening prospect for young and old.

"The USSR embraced this philosophy and is now a bankrupt series of disenchanted [illegible] looking to free enterprise and entrepreneurs for survival," he said.

KPMG Peat marwick refused to comment on the statement, but said a response might be issued today.

Mr Skase is one of a number of formerly high-flying Australian entrepreneurs whose businesses crashed as asset values fell following the global stock market crash in 1987. Some, including Mr Alan Bond and Mr Laurie Connell, former head of the Rothwells merchant bank, face criminal charges.

South Korean trading groups' exports rise

By John Ridding in Seoul

SOUTH [illegible] seven general trading companies, the trading [illegible] country's largest business [illegible], increased their exports last year, but fell short of targets.

They attributed the shortfall to the reduced price competitiveness of Korean products and the slowing of demand in their principal markets. They forecast improvement in the current year, partly because of increased shipments to new markets including the Soviet Union and eastern Europe.

Samsung, the largest of the trading companies, exported products worth $6.32bn, a rise of 11.7 per cent over 1989, but short of the target of $6.8bn. This year, it is also expecting to achieve exports of $6.8bn.

Hyundai recorded exports of $5.86bn last year, an increase of about 6 per cent, but short of the forecast level of $6bn. The company said one of the main reasons for the shortfall was a three per cent fall in shipments of its cars to the US.

Hyundai's exports of cars to the US market have suffered due to their increased price, a slowdown in the US market and greater competition from Japanese manufacturers.

Daewoo's exports were flat at $4.75bn, short of the targeted $5.06bn. The company said one of its strategies to improve its performance this year was to diversify markets. The east European and Soviet markets were described as attractive alternatives.

Lucky Goldstar, which exported $3.1bn last year, [illegible] small [illegible] over 1989, [illegible] did not expect [illegible] improvement this [illegible] although Sunkyong, which exported $1.63bn in 1991, said: "We expect to see [illegible] of [illegible] sun among the [illegible] in [illegible]."

[illegible] exported products worth $1.7bn while Hyosung achieved exports of $1.5bn.

The combined exports [illegible] the [illegible] $24.86bn, [illegible] rise of about 4 per cent over the $2369 exported in 1990.

BHP Steel acquires Boral unit

By Kevin Brown in Sydney

BHP Steel, a division of the Broken Hill Proprietary company, yesterday said it had acquired the steel division of Boral, the construction and building materials group, subject to the approval of the Trade Practices Commission.

BHP is understood to have paid between A$70m (US$54.2m) and A$90m for Boral Steel, which has plants in four states manufacturing reinforced bars and wire mesh for the construction industry.

The deal increases BHP's share of the reinforced bar and mesh sector from around 25 per cent to 45 per cent, close to Smorgon ARC, the market leader, which has in excess of 50 per cent of the market.

The deal will also increase sales of steel to the bar and mesh industry from BHP's own mills.

Boral purchased its steel from a variety of manufacturers.

Mr Roger Pysden, chief general manager of Boral's buildings materials division, said the group had been approached by BHP.

"It is not a core business for us, and we are satisfied with the price we got," he said.

"It is essentially a high-cost, low-value added business which BHP is in a much better position to expand."

Analysts said the price paid by BHP appeared high, given Boral Steel's exposure to the non-residential construction market, which has been hit hard by recession.

"It is a good deal for Boral. BHP probably paid a little too much, but they are getting long-term growth and probably [illegible] rid of a competitor," said [illegible] Jolanta Masojada, an analysts with Macquarrie Bank.

Brambles in Austrian move

By [illegible] Brown in Sydney

[illegible] Industries, the Australian transport [illegible] industrial services [illegible] [illegible] acquired [illegible] rental [illegible] heavy haul[illegible] group in [illegible] an undisclosed [illegible].

[illegible] entered the European [illegible] sector last [illegible] acquisition of Fostrans, [illegible] French [illegible] hire business, [illegible] spent around [illegible] (US$46.5m) in [illegible] related acquisitions which [illegible] the [illegible] heavy [illegible] and haulage business in [illegible] and [illegible] reight United Transport in the UK.

Mr Gary Pemberton, Brambles group managing director, said Toman represented an opportunity to enter the central and eastern European market for industrial services.

Toman is the second largest crane rental operation in Austria, with cranes of up to 400 tonnes capacity, and a substantial fleet of heavy-lift trailers. It operates throughout Austria and in Hungary and Czechoslovakia from bases in Vienna, Graz, Kapfenburg and St Polten.

FLC becoming a leading force in international energy sector

By Dai Hayward in Wellington

[illegible] Challenge (FCL), the [illegible] group which [illegible] world's top three forestry [illegible], is rapidly becoming a leading [illegible] in [illegible] interna[illegible].

It [illegible] now [illegible] largest producer [illegible] methanol, used in [illegible] wide range of industrial products, [illegible] petrol.

FCL's subsidiary, Petrocorp, having established itself [illegible] foremost oil and [illegible] explorer, distributor and processor, has [illegible] into oil exploration in Indonesia, Canada, Thailand, [illegible] Philippines, Australia and Colombia.

[illegible] Petrocorp [illegible] third Indone[illegible] production-sharing con[illegible] in [illegible] Sumatra. [illegible] early December in leading [illegible] foreign [illegible] awarded an exploration licence in mainland [illegible]. This [illegible] gives [illegible] right [illegible] explore 15,900 square kilometres in ce[illegible].

Petrocorp contributed a [illegible] NZ$157.1m (US$93m) to [illegible] Challenge's 1990 profit [illegible]. Although Petrocorp's contribution [illegible] down [illegible] previous year, [illegible] lower world prices [illegible] methanol, [illegible] may [illegible] an [illegible] ger [illegible] prices and profits are expected to rise. O[illegible]hip of Petrocorp will [illegible] Challenge [illegible] benefit from higher world oil prices [illegible] dollar [illegible] in [illegible] price [illegible] barrel [illegible]

Hugh Fletcher: confident in future [illegible] energy division

oil [illegible] about [illegible] FCL's earnings.

Mr Hugh Fletcher, chief executive, has [illegible] the acquisition [illegible] Petrocorp oil and [illegible] from the [illegible] Zealand [illegible] in [illegible] the cheapest acquired [illegible] where in the world in the past [illegible].

Last year, Petrocorp was split [illegible] three operational [illegible] – exploration and production, petrochemicals and natural gas.

Petrocorp's share last year [illegible] oil produced from the onshore New Zealand wells in which it has an interest was 4.6m barrels.

Two [illegible] fields, the McKee [illegible] the – both in Taranaki province – produced 16,000 [illegible] oil a day, almost 20 per [illegible] of New [illegible] oil

Through Petrocorp Exploration, Fletcher Challenge now [illegible] proven reserves, including those in Canada, of 70.2m barrels of oil and 1.7 trillion (million million) cu ft of natural gas. The latter is equivalent to 355m barrels of oil.

Petrocorp moved into Canada last July when it bought the Provost oil and gas fields in Alberta from Amoco for C$116.5m (US$101.3m). The Provost project includes four gas fields, an oil field and a comprehensive gas gathering and processing system. Its reserves are estimated at 180bn cu ft of gas and 1.2m barrels of oil.

[illegible] world surplus of methanol which depressed prices last year, Fletcher Challenge is confident that demand will outstrip supply over the next [illegible] years. It will be boosted by the increasing use of methanol in the production of transport fuels.

Fletcher Challenge has prepared for the increased demand, which had produced [illegible] prices, by completing a NZ$22.8m expansion programme which almost doubled production capacity. In the June 1990 year it sold 535,171 tonnes of methanol. A big customer is Mitsubishi of Japan which has bought a total of 1m tonnes.

Fletcher Challenge confi[illegible] in the future of [illegible] energy division should be repaid with increased turnover and profits for its 1991 report.

هكذا من الأصل

Scott Paper plans $100m write-off before disposals

By [illegible] Tait in New York

SCOTT PAPER, the world's largest producer of toilet tissue, paper towels and napkins, said yesterday it planned to take a write-off of around $100m in the fourth quarter of 1990, ahead of the disposal of peripheral activities.

The $100m write-off equates to around $1.35 a share. Analysts had been forecasting full-year earnings of around $3.80, after an aggregate $2.71 in the first nine months. However, Scott Paper shares – which have taken a fall recently – gained ⅜ at 37⅜ on the news.

Scott said it had already identified the non-strategic assets which it plans to sell. These include most of its food services business – which ranges from napkins to foam cups and plastic cutlery – plus its speciality paper operations, taking in a paper mill in Westbrook, Maine. The bulk of the company's non-woven products business, with operations in the US and West Germany, will also go.

The company declined to say how much such sales might raise, or to specify whether any negotiations were already under way.

Scott Paper, which had already warned that profits for 1990 might fall short of the previous year's figure, has been involved in a programme of asset sales for some years. For example, it disposed of a 50 per cent interest in a pulp mill, Brunswick Pulp & Paper Company, in 1988; sold 194 acres of woodland in Washington state for $230m in 1989; and shed its Brazilian affiliate in a $40m deal.

Scott refused to [illegible] drawn [illegible] whether it still expects [illegible] post [illegible] profit [illegible] the final quarter of 1990. It did stress, however, that it remains commited to European expansion and said that no big facilities [illegible] Europe would [illegible] involved [illegible] the disposal programme.

[illegible] said it expected capital expenditure in 1991 to be around [illegible] $400m, only half the projected $800m to $850m level [illegible] 1990. [illegible] that this reduction, coupled with the money from divestments, should enable the company to reduce debt and fund further strategic [illegible].

Pan Am awaits court ruling

By Nikki Tait in New York

PAN AM, the cash-strapped US airline which filed for Chapter 11 bankruptcy earlier this week, was returning to the Manhattan courts yesterday in the hope of getting its controversial plan to sell its London Heathrow routes to United Airlines approved by the bankruptcy court judge.

The decision by Judge Cornelius Blackshear will be critical to Pan Am's survival. United, together with Bankers Trust, have agreed to provide Pan Am with $150m of temporary loan financing.

This is designed to cover the carrier's cash needs until it receives the $290m United is due to pay for the London routes. This latter transaction is dependent on the approval of the UK authorities. And Mr Malcolm Rifkind, [illegible] UK transport secretary, [illegible] indicated he will not [illegible] rushed.

However, the sorely-needed $150m loan is conditional on Judge Blackshear deciding that the London route sale is a fair deal – the ruling he will be asked to [illegible].

[illegible] Am will face opposition in [illegible] from various sources. Delta Airlines, [illegible] third largest US carrier, [illegible] Wednesday it was willing [illegible] offer [illegible] for [illegible] Am's [illegible] to London route [illegible]. "With more time, we [illegible] making [illegible] routes or assets," [illegible] Delta's chairman, Mr [illegible] Allen.

Accordingly, Delta is asking the court to delay its ruling on the United route sale. The airline is struggling to gain some advantage in the current wave of route sales, and has already lobbied, unsuccessfully, for a US department of transportation hearing into two London route disposals by Pan Am and Trans World Airlines.

Further opposition will [illegible] lodged on [illegible] Pan Am's shareholders. A [illegible] holder suit had already been filed by [illegible] Mr John Decker, protesting [illegible] the United transaction and claiming that a better price could have been secured [illegible].

Yesterday, Mr [illegible] Chimicles, the lawyer representing Mr [illegible] in anticipation [illegible] the Chapter 11 filing, but [illegible] concerns [illegible] unchanged and [illegible] his client would be represented [illegible] Bankruptcy [illegible] hearing.

Nintendo US sales surge 27%

By Karen Zagor in New York

NINTENDO of America, the [illegible] subsidiary of the Japanese video [illegible] company, yesterday said [illegible] sales grew 27 per [illegible] $3.4bn.

In spite of efforts by would-be competitors to [illegible] a bigger [illegible] the US video games market, Nintendo's presence is commanding, with 87 per cent of the home video game market.

Mr Peter Main, US vice-president of marketing, said Nintendo's entertainment system could be found in more than 30 per cent of American homes.

At a time when the US toy industry is flat and little prospect of improvement in the new year, Nintendo expects to turn in 1991 sales of $4bn, with the US video game industry posting total sales of $4.7bn. Although video games are not classified as toys, they compete in similar markets.

Some analysts are sceptical about Nintendo's growth prospects beyond the next year. Mr Takafumi Ochiai, vice president at New Japan Securities in [illegible] "Nintendo manages its software very well. But its market penetration [illegible] almost full. And it is difficult for a one-product company [illegible] sustain growth. Nintendo's future prospects are [illegible] its ability to develop [illegible] "and this is [illegible] difficult to predict."

Mr Howard Vogel, a toy industry analyst at Merrill Lynch, believes Nintendo will start losing [illegible] share next year, helping US toy [illegible] nies to improve their sales.

Bank joint venture faces EC inquiry

By Lucy Kellaway

THE PROPOSED joint venture between Banque Nationale de Paris, Dresdner Bank and a private Hungarian bank is being examined by the European Commission to see if it is caught by the EC's new merger rules.

The commission said it was notified in December about the deal, which on preliminary inspection did appear to fall under the new regulation.

The joint venture involves the two west European banks joining forces with OKHB, the second-biggest Hungarian commercial bank, to create a new [illegible] to be called BNP-KH-Dresdner Bank.

Although the starting capital of the bank is only Forint 1bn ($14m), the deal is likely to fall under the merger rules [illegible] the western banks' turnover is high. The new bank would help Hungarian companies with import and export business, help to finance joint ventures between western and Hungarian companies, and assist with Hungarian privatisations. The commission must decide within [illegible] month [illegible] receiving notification whether to mount a full enquiry.

KPMG confirms fall in value of cross-border deals

By Guy de Jonquières, International Business Editor

THE SLOWDOWN in international merger and acquisition activity is confirmed by figures published by accountancy firm KPMG, which show that the value of cross-border deals fell 13 per cent last year to $114.2bn from $130.6bn in 1989.

There were steep falls in the value of purchases by companies based in the US and France, two of the most active acquiring countries. American acquisitions abroad fell to $15.8bn from $23.2bn, while [illegible] by French companies declined to $16.4bn from $22bn.

US acquisitions in the European Community slowed particularly sharply, to $3.7bn from $12.7bn. Much of the decline was due to a drop in the value of purchases in the UK, which fell to $2.6bn from $10bn.

Japan and Sweden were the only large countries to increase the value of their acquisitions over 1989. Purchases by Japanese companies rose to $16.7bn from $14.7bn, while those by Swedish companies grew to $9.5bn from $1.9bn.

However, British companies remained the biggest cross-border acquirers by a large margin, in spite [illegible] a decline in the total value [illegible] their pur[illegible] to $20bn from [illegible].

[illegible] in [illegible] the US was the [illegible] popular target country, receiving foreign purchases worth [illegible]. It [illegible] followed by Britain, where international acquisitions totalled $20.6bn.

Declines in the value of [illegible] purchases [illegible] North [illegible] and the EC [illegible] offset by a strong increase in [illegible] acqui[illegible] in other countries. [illegible] in [illegible] to $20.6[illegible] from $7.8bn.

Much [illegible] the [illegible] was due to a surge in acquisitions in Argentina, New Zealand and Switzerland. The only EC countries in which the value of purchases rose were Ireland, Italy and Spain.

The fall in worldwide activity was particularly pronounced in the final quarter of last year, when the value of deals fell 32 per cent to $28.6bn from $42.3bn in the same period of 1989. The total number of deals last year fell from to 2,517 from 2,762.

Imperial Oil expects record year-end results

By Robert Gibbens

HIGHER CRUDE prices will [illegible] Imperial Oil, Canada's integrated oil company, to post 1990 results [illegible] the peak [illegible] (US$391.3m) of 1985.

This indicates earnings per share of C$2.60 to $2.65 after a $200m restructuring charge, senior officials told a New York energy conference.

Upstream business continued strong in the fourth quarter and downstream operations improved slightly. Debt has been cut to $2.8bn from $5.8bn early in 1989 following acquisition of Texaco Canada for $5bn.

The reduction is due to upstream and downstream asset sales and debt will continue to decline in 1991.

Production in 1991 is expected to average 345,000 barrels daily against 350,000 barrels daily in 1990.

Philips gives first public showing of its DCC

By Ronald van de Krol in Amsterdam

PHILIPS, the Dutch electronics group, has given its first public demonstration of the digital compact cassette (DCC), the company's lower-priced alternative to the digital audio tape (DAT) system being championed by Sony of Japan.

The company is seeking to promote the DCC system – unveiled this w[illegible] at the annual consumer electronics trade show in Las Vegas – as the logical successor to the conventional audio cassette, which was invented by Philips in 1963.

The Dutch group has won backing for the concept of pre-recorded DCCs from major music companies such as EMI, Warner, Bertelsman and its own 80 per cent-owned music subsidiary PolyGram.

It expects to launch consumer sales of DCC players in 1992, by which time it hopes that pre-recorded DCCs will also have begun hitting the market. Like DAT players, the players can be used for home recording [illegible] digital-quality sound [illegible] blank cassettes. Like DAT players, however, they will [illegible] be equipped with a [illegible] limit the number of copies [illegible] a consumer [illegible] from a compact [illegible] (CD), [illegible] run-away [illegible] success of the [illegible] which was jointly developed by Philips and Sony.

Philips claims that [illegible] big[illegible] DCC players over the rival DAT system is [illegible] they can play existing analogue audio [illegible] well as the new DCCs. DAT players, by contrast, [illegible] play only DAT tapes. So far, how[illegible], few pre-recorded DAT tapes are available.

Philips is developing DCC in partnership with Matsushita [illegible] Japan. It has already licensed Tandy of the US [illegible] build players, which are expected to sell for $500 to [illegible] each compared with DAT-player prices [illegible] $1,000 or more. Other hardware companies will also be offered licences.

LIG in £61.6m issue to cut debt

By Maggie Urry

LONDON International Group braved yesterday's gloomy stockmarket with a rights issue to [illegible] £61.6m net. The cash [illegible] needed [illegible] cut the company's debt level and allow it to continue expanding.

The group, best known for [illegible] Durex condoms, has spent heavily on capital investment and acquisitions [illegible] the last four [illegible]

[illegible] Alan Woltz, chairman, said the rights issue was needed in part [illegible] rent prices the company no [illegible] bond holders [illegible] a £50m convertible [illegible] into equity.

LIG, which also makes surgical and household rubber gloves, health and beauty products and [illegible] photographs, saw [illegible] fall [illegible] to 216p on the news, having [illegible] 7p on Wednesday on rumours of the issue. The rights [illegible] on [illegible] one-for-four [illegible] at 190p.

Mr Woltz [illegible] group and its [illegible] – [illegible] Warburg, [illegible] merchant bank, and [illegible] Warburg Securities [illegible] broker – had [illegible] following [illegible] collapse of [illegible] Gulf [illegible] in [illegible] on Wednesday, but [illegible] was still appropriate.

"The reasons for [illegible] are very positive," he [illegible]. The rights [illegible] by [illegible] forecast of pre-tax profits [illegible] "at [illegible] £38m" in [illegible] end-March, compared with [illegible] in [illegible] year. This was below [illegible] lysts' earlier expectations [illegible] about £41m following [illegible] interim pre-tax profits [illegible] the [illegible] was [illegible] "downside" number and he hoped to beat it comfortably.

A further confusion [illegible] £38m figure [illegible] forecast before some deductions. These included [illegible] supplemental [illegible] on LIG's [illegible] convertible bond [illegible] 1990-91 and an exceptional [illegible] of £5.8m for [illegible] interest on the bonds [illegible] March 1990.

[illegible] interest has [illegible] provided because bond holders are [illegible] to exercise [illegible] put option in [illegible] 1992 at [illegible] price to give a [illegible] of 8¼ per cent rather than the 4½ per cent coupon on the bonds.

The group's debt has [illegible] sharply from [illegible] to a net £147.[illegible], including contingent [illegible] of £4.4m, at the [illegible] of [illegible]. This compares [illegible] £87.5m in the last [illegible] sheet, [illegible] shareholders' funds [illegible] at £87.1m [illegible] Woltz said [illegible] debt was [illegible] high [illegible] that [illegible] would have [illegible] 100 per [illegible] the year end.

After the rights issue, [illegible] said, year-end gearing would fall to 24 per cent or 44 per cent excluding intangibles. A final dividend of [illegible] was promised.

Lex, Page 18

Laidlaw close to quarterly growth targets

By Robert Gibbens in [illegible]

LAIDLAW, the waste management and school bus group controlled by Canadian Pacific, [illegible] achieved [illegible] profit growth in the first quar[illegible] 1991.

The North American [illegible] sion [illegible] operations, but [illegible] school bus business, hit for [illegible] staffing problems, turned around.

In the [illegible] quarter, Laidlaw [illegible] US$77.5m, [illegible] 26 per [illegible] from [illegible] year earlier, on [illegible] $516m, up [illegible] earnings were 32 [illegible], up 19 per cent from 27 [illegible] shares outstanding [illegible] up nearly 10 per cent year-to-year. [illegible] quarterly [illegible] raised from 7 cents [illegible] share [illegible] 8 [illegible].

Laidlaw's medium-term target is [illegible] 20 per cent annual growth in per-share earnings.

Former chairman and founder Michael DeGroote will remain Laidlaw's representative in the ADT boardroom. [illegible] owns 29 per [illegible] ADT, the Bermuda-based security systems group, and [illegible] additional [illegible]eats. But it has not decided whether to increase [illegible] interest or sell.

Mr [illegible] last month from the Laidlaw boardroom and retired [illegible] Bermuda. Earlier, he sold almost all his remaining shares to Canadian Pacific (CP). James Bullock, a well-known Toronto property executive, replaces him as a Laidlaw director.

Laidlaw stock has fluctuated on reports that South Carolina wants the company to [illegible] up a large trust fund against potential hazards at a waste landfill site, while Laidlaw insists $30m special insurance is sufficient. Last autumn it provided $33m after court [illegible] halted operations at a Cleveland landfill site.

Price falls hit Cockerill Sambre

By Lucy Kellaway in Brussels

COCKERILL SAMBRE, the Belgian steelmaker, yesterday warned that [illegible] profits for this [illegible] would [illegible] significantly lower [illegible] the recent downturn in the [illegible] market.

The warning follows a similar announcement from Arbed, [illegible] Luxembourg steel com[illegible], with which Cockerill [illegible] recently scrapped plans for a partial merger.

[illegible] companies are suffering from sharp falls in [illegible] prices [illegible] most steel products, [illegible] demand, and increasingly aggressive pricing by other steelmakers.

[illegible] Cockerill stressed that its financial position remained strong, and that its profits for the year just ended would [illegible] only a small fall against the record BFr15.4bn [illegible] net made in 1989.

Mr Jean Gandois, Cockerill's president, said the company was in [illegible] hurry to find other [illegible] following the [illegible] talks with Arbed, which would [illegible] pooled the flat [illegible] making operations of [illegible] groups. He said that talks had failed due to a conflict in the priorities, and he held out no hope that they could [illegible] revived.

Flat steel still accounted for some 90 per cent of Cockerill's business, despite some efforts by the company to diversify into other areas.

Any new partner would need to [illegible] quoted on the stock [illegible], and [illegible] need to [illegible] industrial and commercial strengths, Mr Gandois said.

Glaverbel to buy out car glass partner

By Lucy Kellaway in [illegible]

GLAVERBEL, [illegible] Belgian glass maker controlled [illegible] Asahi Glass of Japan, [illegible] to [illegible] of the European glass market by buying out its Italian partner in Splintex, a joint [illegible] company making glass for the car industry.

[illegible] will mean that Asahi Glass, which is [illegible] big[illegible] maker of [illegible] for cars in the world, will further strengthen its hold [illegible] its Belgian subsidiary.

Glaverbel said that Splintex would in the future concentrate on producing high quality glass, using increasingly advanced technology, suitable for meeting the high demands of the growing number of Japanese car manufacturers setting up in Europe.

An investment programme costing BFr1bn ($32m) in its first stage is planned to improve production methods by the middle of next year.

Splintex, which had sales of BFr3.3bn in 1990, claims to have about 8.5 per cent of the European car market. The company was set up in 1986 in an attempt to allow the Belgian and Italian glass makers to increase their share of an increasingly competitive European industry.

Finns may reform investment

By Enrique Tessieri in Helsinki

A FINNISH government committee [illegible] considering reforms [illegible] the law restricting foreign investment in the country's [illegible]panies. It expects to publish [illegible] recommendations by the end of June.

[illegible] Kirsti Rissanen, who [illegible] the 14-member committee, said the revisions would replace both the [illegible] Restricting Act and the [illegible] Insurance Companies Act.

The [illegible] foreign[illegible] from establishing businesses in key [illegible] forestry and limits their equity ownership to 20 per cent [illegible] with special permission, to [illegible] per cent. The 1988 [illegible] the maximum foreign ownership in Finnish insurance companies from 100 to [illegible] per cent.

Ms Rissanen [illegible] "It [illegible] early to say what the [illegible]tee will actually [illegible]mend . . . but [illegible] expect to recommend [illegible] on equity ownership [illegible] companies."

Finnish bond market, [illegible]

INTL CAPITAL MARKETS AND COMPANIES

Zenith in battle to control board

By Martin Dickson in [illegible] York

ZENITH Electronics, the last remaining US maker of television sets, faces a fight to take control [illegible] board from Nycor, a privately-owned N[illegible] Jersey company which makes [illegible] conditioners.

Nycor, which built up an 8.2 per [illegible] stake in Zenith last autumn, said in a filing with the Securities and Exchange Commission yesterday that it planned a proxy battle to place candidates on Zenith's board.

Nycor said it believed that the current Zenith [illegible] ment did not have a viable business plan to [illegible] the best interests of stockholders and [illegible] change in leadership would be in the best interests of shareholders.

While other US television makers have dropped out of the business in the [illegible] strong [illegible] competition, Zenith [illegible] struggled on and devoted large amounts of [illegible] towards developing [illegible] high definition television [illegible] which [illegible] much clearer picture [illegible] sound quality.

The company said in [illegible]ber that [illegible] and AT&T were jointly developing an all-digital high definition system.

However, [illegible] has been losing money – [illegible] in the first nine months [illegible] last year – while Nycor, which makes air conditioners under [illegible] brand name, is profitable and cash-rich after spinning off several engineering subsidiaries.

Fedders is run by Mr Salvatore Giordano, who took control in the late 1940s, and his son, Salvatore Jr.

Nycor said in its filing [illegible] met Zenith representatives to discuss plans for increasing shareholder value and had suggested [illegible] the company consider a possible spin-off of the consumer television business.

Digital to shed 3,500 workers in six months

By [illegible] Kehoe [illegible]

DIGITAL [illegible], the second largest computer manufacturer, is to lay off up to [illegible] over the next six months. The action is the first large-scale lay-off in the company's history.

Digital had previously announced plans to reduce its [illegible] workforce by about 5,000 to 6,000 through voluntary severance programmes by the end of the current fiscal year, June 30.

Company officials said [illegible]terday, however, [illegible] only [illegible] 2,500 people had so far left the company voluntarily.

"We don't think that, in the current economic climate, we can expect to [illegible] our goal through voluntary programmes," the company said.

A computer industry-wide slump, on top of rising unemployment in [illegible], where Digital is based, had limited response [illegible] the [illegible]tary severance programme, Digital said.

Digital said [illegible] was still evaluating where the job [illegible] would be made, but the "[illegible] majority" would be in [illegible] US.

Yamaichi leads Y2.5bn purchase in Yamagen

A GROUP [illegible] companies, led by Yamaichi Securities, one of the big four Japanese [illegible] houses, [illegible] purchased Y2.5bn in new shares issued by Yamagen Securities, a middle-sized, [illegible] securities house, Reuter reports from Tokyo.

This raises Yamaichi's stake to 40 per cent from 10 per cent and makes the group Yamagen's biggest shareholder. The purchase [illegible] at strengthening Yamagen's financial base, which had suffered [illegible] the sharp drop in stock prices last year.

Yamaichi is [illegible] considering sending one or more [illegible] to Yamagen to participate in its management. Yamagen, capitalised at Y1.62bn, became a member of the Tokyo stock exchange [illegible] November after paying Y1.3bn in joining fees.

CBOE names vice-chairman

THE board of the Chicago Board Options Exchange (CBOE) has named William C. Floersch, an independent market-maker, vice-chairman [illegible] the exchange and chairman of the executive [illegible] for 1991.

Mr Floersch, a member [illegible] CBOE [illegible] 1974, [illegible] Thomas A. Bond, who had served three one-year terms [illegible] vice-chairman. Mr Floersch ran unopposed for the exchange's top elected office.

Treasuries regain losses as high yields attract buyers

By Karen Zagor in New York and Simon London in London

US Treasury bonds yesterday morning recouped most of their previous day's losses, with buyers lured into the long end of th[illegible] market by the attractively high yields.

At mid-session, [illegible] Treasury's 30-year bond climbed [illegible] to 104[illegible], yielding 8.37 per cent, after closing down nearly [illegible] point on Wednesday. Among shorter-dated maturities, which [illegible] been less volatile than the long end of the yield curve, [illegible] two-year [illegible] higher at 7.09 per cent.

The Federal Reserve arranged overnight matched sales when Fed funds [illegible] changing hands [illegible] per [illegible]. The move, which was widely anticipated, was seen as a pro[illegible] against the low Fed funds rate and to correct a slight excess of reserves. The move was see[illegible] a confirmation that the perceived new target for the rate is 6¾ per cent.

In [illegible] foreign exchange market, trading [illegible] expected [illegible]

BENCHMARK GOVERNMENT BONDS

	Coupon	Red Date	Price	Change	Yield	Week ago	Month ago
[illegible]	13.500	09/92	[illegible]	-05/32	11.41	11.43	11.18
	[illegible]	03/00	91-14	[illegible]	10.47	10.59	10.46
	[illegible]	10/08	[illegible]	[illegible]	10.12	[illegible]	10.11
US TREASURY	[illegible]	11/00	102-03	-17/32	8.18	7.92	7.94
	8.750	08/20	103-28	-26/32	8.39	8.10	8.10
[illegible]	4.800	06/99	88.8409	+0.002	6.69	6.97	7.08
[illegible]	8.400	03/00	98.7990	+0.057	6.61	6.59	6.60
GERMANY	9.000	10/00	100.2000	-0.450	8.96	8.98	8.71
FRANCE BTAN	9.000	11/95	95.2216	[illegible]	10.26	10.17	10.12
[illegible]	8.500	03/00	91.5300	-0.350	9.93	9.86	9.87
[illegible]	[illegible]	[illegible]	101.6500	[illegible]	10.23	10.10	10.08
[illegible]	9.250	11/00	99.8800	[illegible]	9.26	9.17	9.01
[illegible]	13.000	07/00	104.3786	-0.288	12.21	12.00	11.89
[illegible]	10.000	08/00	100.2500	-0.350	9.94	9.69	9.70

London closi[illegible] New York morning session
Yields: Local market standard — Prices: US, UK in 32nds., others in decimal

Technical Data/ATLAS Price Sources

GOVERNMENT BONDS

remain within [illegible] recent ranges [illegible] January [illegible] Iraq to withdraw from Kuwait. At [illegible], [illegible] dollar was quoted [illegible] Y134.60 [illegible] DM1.5310.

In[illegible], trading was thin in most US financial [illegible] terday morning after [illegible] extreme volatility [illegible] day linked [illegible] the Geneva peace [illegible]. [illegible] Gulf [illegible] the primary concern of the bond market, and [illegible] will probably [illegible] lacklustre until there are clearer signs of how the crisis will end.

■JAPANESE government bonds defied expectations in overnight trading in Tokyo, staging a strong rally which saw cash bond yields fall by more than 10 basis points.

The [illegible] government bond [illegible] No 119 [illegible] on a yield of 6.86 per cent, against 7 per [illegible] on Wednesday. In the futures market, [illegible] key March bond futures contract closed at [illegible], against 95.69 [illegible] day before.

Analysts ascribed the rise to [illegible] rumours that Iraq was [illegible] to [illegible] from Kuwait.

"The [illegible] is wholly rumour-driven at present," commented one analyst. "When there are signs of even [illegible] small rally everyone pours in. There is a large degree of wishful thinking in [illegible] performance."

In London trade, yields crept back up as investors reassessed the chances of a war in the Middle East. The 119 was trading [illegible] yield of [illegible] per cent in late afternoon.

With a high dependence on imported [illegible] and oil-based products, the Japanese [illegible] as vulnerable to [illegible] in [illegible]. The dollar could [illegible] breach [illegible] government bond yields could rise well above 7 per cent if a "shooting war" develops.

■GERMAN government bonds [illegible] negatively in early [illegible] yesterday to the failure of Gulf peace talks in Geneva, although [illegible] positive mood [illegible] later restored by German [illegible] figures for November. In the cash market, the latest 9 per [illegible] 10-[illegible] government bond closed [illegible] day [illegible] 100.33 for [illegible] yield [illegible] per cent, against 8.88 per cent on Wednesday.

In [illegible] futures market, [illegible] key March bund futures contract closed at 82.22, little changed from the opening level [illegible] 82.19 but down from the [illegible] close on Wednesday.

German trade figures for November showed a marked weakening of [illegible] growth. This boosted bond prices as analysts suggested that more domestic production capacity could now be channelled into [illegible] without adding to inflationary pressures. Moreover a current account surplus of DM1.3bn in [illegible], compared [illegible] DM6.6bn in October, [illegible] reduce the concomitant net capital outflow from Germany. Again, this could free investment resources for channelling into the east German economy.

■AFTER opening almost [illegible] point lower than Wednesday's London closing levels at the longer maturities, UK government bonds staged something of a recovery yesterday.

In the cash market, the benchmark long gilt maturing 2003/2007 closed the day at 108[illegible] for a yield of 10.54 per cent, against 10.48 per cent on Wednesday. At the shorter maturities prices held up better, although analysts said that this did not reflect significant switching by investors to the shorter end of the yield curve.

In the futures market, the key march gilt futures contract [illegible] 90.02, against [illegible] on Wednesday.

The biggest overnight [illegible] in gilt prices took place in Tokyo trading time, which left [illegible] bemused, given the strong performance of the Japanese government bond market.

■Foreign investment in Chile grew strongly in 1990, with the amount actually [illegible] country rising by 26.1 per cent, or by $284.4m over 1989, the government's foreign investment committee said, Reuter reports.

The total invested in 1990 was $1.12bn. Mining was the most important sector, accounting for 55.6 per cent followed by services at 33.5 per cent and other areas 10.9 per [illegible]. [illegible] investments included projects approved [illegible] in 1990 and in previous years.

FT/AIBD INTERNATIONAL BOND SERVICE

Listed are the latest international bonds for which there is an [illegible] secondary market. *Latest prices at 8:00 pm on January 10*

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Chg. day	Yield
ABBEY NATIONAL 8 7/8 93	150	101¼	101⅝	+⅛	8.26
ALBERTA PROVINCE 9 3/8 95	600	103	103¼	[illegible]	8.57
AUSTRIA 8 1/2 00	400	97¼	98	[illegible]	8.89
BANK OF TOKYO 8 3/8 96	100	97¼	97¾	[illegible]	9.04
BELGIUM 9 1/8 92	400	101¼	102	[illegible]	8.09
BFCE 7 3/4 97	150	95¼	[illegible]	[illegible]	8.66
BNP 8 5/8 94	300	100⅜	[illegible]	[illegible]	8.30
BP CAPITAL 9 5/8 93	150	102¼	[illegible]	[illegible]	8.36
CANADA 9 96	1000	102¾	[illegible]	[illegible]	8.31
CARCO 9 1/4 96	650	[illegible]	[illegible]	[illegible]	9.58
CCCE 9 1/4 95	300	[illegible]	[illegible]	[illegible]	8.39
COUNCIL EUROPE 8 96	100	[illegible]	98¼	[illegible]	8.48
CREDIT FONCIER 9 1/2 99	300	103¼	103¾	[illegible]	8.93
DENMARK 0 98	250	52¼	52¾	[illegible]	8.65
[illegible]MARK 8 1/4 94	[illegible]	99¾	100¼	[illegible]	8.35
[illegible] 1/4 96	193	98¼	[illegible]	[illegible]	8.52
[illegible] 1/4 93	250	[illegible]	[illegible]	[illegible]	7.89
[illegible] 3/4 96	[illegible]	97¼	97¾	[illegible]	8.41
[illegible] 97	400	102⅛	102⅝	[illegible]	8.76
[illegible] FRANCE [illegible] 98	200	101½	[illegible]	[illegible]	8.70
EUROFIMA 9 1/4 96	100	102¼	102¾	[illegible]	8.65
[illegible] CORP 9 1/2 98	150	103⅛	103⅝	[illegible]	8.85
[illegible] 8 97	200	95¼	96¼	[illegible]	8.89
FINNISH EXPORT 9 3/8 95	200	102¼	103¼	[illegible]	8.63
FORD MOTOR CREDIT 9 1/2 93	[illegible]	[illegible]	[illegible]	[illegible]	8.94
GEN ELEC CAPITAL 9 3/8 96	300	[illegible]	[illegible]	[illegible]	8.66
GMAC 9 1/8 96	200	[illegible]	99¼	[illegible]	9.46
HALIFAX 9 1/2 93	200	[illegible]	102⅝	[illegible]	8.52
IBM WORLD TRADE 7 5/8 93	150	97¼	98¼	[illegible]	8.48
IND BK JAPAN FIN 7 7/8 97	200	94⅝	95¼	[illegible]	9.02
INTER AMER DEV 7 5/8 96	200	[illegible]	95¾	[illegible]	8.65
ITALY 8 1/2 94	1500	[illegible]	101	[illegible]	8.24
JAPAN DEV BK 8 94	150	[illegible]	[illegible]	[illegible]	8.19
KANSAI ELEC PWR 10 96	[illegible]	103¾	[illegible]	[illegible]	9.02
LTCB 8 5/8 93	[illegible]	100¼	[illegible]	[illegible]	8.53
NEW ZEALAND 8 93	100	99¼			8.31
NIPPON CRED BK 9 3/4 93	150	102¾	103¼		8.56
NIPPON TEL & TEL 9 3/8 95	200	102⅞	103½		8.51
NORDIC INV BANK 9 93	200	102	102⅜	[illegible]	8.04
ONTARIO HYDRO 11 5/8 94	[illegible]	108	109¼	[illegible]	8.56
OSTER KONTROLLBANK 8 1/8 93	200	100½	100⅞		7.84
PETRO-CANADA 7 1/4 96	200	94¼	94⅝	[illegible]	8.65
PRUDENTIAL RLTY SECS 0 99	365.216	48½	49	[illegible]	9.45
QUEBEC HYDRO 9 3/4 98	150	102[illegible]	102¾	[illegible]	9.34
QUEBEC PROV 9 98	200	99¾	100¼	[illegible]	9.03
SAINSBURY 9 1/8 96	150	101¼	102¼	[illegible]	8.82
SAS 10 99	200	99¼	100	[illegible]	10.11
SBAB 9 1/2 95	500	103	103⅝	[illegible]	8.62
STATE BK STH AUST 9 1/4 93	100	101⅞	102½		8.29
SUMITOMO BK CAP MKT 9 3/8 93	150	102	[illegible]	[illegible]	8.54
SWEDEN 8 1/8 94	150	[illegible]	[illegible]	[illegible]	8.52
SWEDISH EXPORT 9 5/8 93	100	103	103¼	[illegible]	8.01
TOKYO METROPOLIS 8 1/4 96	200	98½	99	[illegible]	8.58
WORLD BANK 8 3/8 99	1500	98¼	98⅝	[illegible]	8.83
WORLD BANK 8 3/4 97	1500	101⅛	101⅝	[illegible]	8.63
XEROX CORPN 8 3/8 96	100	94¾	95¼	+¼	9.42

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Chg. day	Yield
ASIAN DEV BANK 8 94	200	[illegible]	[illegible]	+¼	9.14
AUSTRIA 6 98	400	[illegible]	83¼	[illegible]	9.22
CNT 6 1/8 98	[illegible]	[illegible]	83¼	[illegible]	9.26
CREDIT FONCIER 6 3/4 99	[illegible]	[illegible]	[illegible]	[illegible]	9.32
DEUTSCHE BK FIN 5 5/8 96	750	86¼	86¾	[illegible]	8.94
EEC 5 3/8 93	300	93¼	93¾	[illegible]	9.18
EIB 6 1/8 96	300	87¼	87¾	[illegible]	9.20
EIB 6 7/8 95	300	93¼	93¾	+1¼	8.66
EUROFIMA 6 1/4 98	400	85¼	85¾		9.05
FELDMUEHLE FINANCE 8 99	200	[illegible]	[illegible]	[illegible]	9.29
FERRO DEL STAT 5 3/8 93	500	[illegible]	[illegible]	[illegible]	9.20
IND BK JAPAN FIN 5 5/8 96	200	[illegible]	[illegible]	[illegible]	9.67
INTER AMER DEV 7 1/4 99	300	[illegible]	[illegible]	[illegible]	9.21
LUFTHANSA INT FIN 5 7/8 98	500	81¾	81¾		9.42
QUEBEC HYDRO 6 3/4 99	300	87	87	+1	9.05
SWEDEN 6 1/8 98	300	85½	85½	[illegible]	8.94
WORLD BANK 0 15	2000	15⅝	15⅝		7.76
WORLD BANK 5 3/4 96	300	86¼	86¾		9.23
WORLD BANK 7 1/8 95	500	93¾	93¾	[illegible]	9.09

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Chg. day	Yield
ASIAN DEV BANK 6 10	100	81¾	83	[illegible]	7.84
AUSTRIA 4 5/8 98	[illegible]	[illegible]	85¾	[illegible]	7.37
CHUJITSUYA 7 3/4 95	[illegible]	101	102	+½	7.47
COUNCIL EUROPE 4 3/4 98	250	85	[illegible]	[illegible]	7.35
EEC 5 1/2 00	100	87	[illegible]	+½	7.40
EIB 5 3/4 93	100	96½	[illegible]	[illegible]	7.16
FINLAND 5 3/8 95	150	94	95½		6.88
GENERAL MOTORS 7 1/2 95	100	100¾	101½	+½	7.28
JAPAN DEV BK 5 1/2 94	100	[illegible]	97		6.79
MOUNT ISA FINANCE 5 3/4 94	100	[illegible]	88	+1	10.35
NEW ZEALAND 4 7/8 99	200	[illegible]	83½	[illegible]	7.89
QUEBEC HYDRO 5 08	100	74	75		7.79
SKANDINAVISKA ENSK 6 1/2 95	100	94½	95½	-½	8.17
WORLD BANK 5 03	150	80	80½		7.51
WORLD BANK 7 1/4 92	100	100½	101	+½	6.85

YEN STRAIGHTS	Issued	Bid	Offer	Chg. day	Yield
AUSTRIA 4 3/4 94	30000	93¾	94¼		7.07
CANADA 4 3/8 92	80000	96¼	96¾		7.24
CREDIT FONCIER 5 1/4 94	20000	93¾	94¼		7.16
DENMARK 7 95	40000	100	100¼		7.00
EIB 4 5/8 94	40000	92¾	[illegible]	[illegible]	7.19
GENERAL ELECTRIC 5 3/4 93	35000	96¼	[illegible]	[illegible]	7.56
INTER AMER DEV 7 1/4 00	30000	102¾	[illegible]	[illegible]	6.89
ITALY 5 3/4 92	150000	[illegible]	[illegible]		7.44
KANSAI ELEC PWR 4 5/8 94	60000	[illegible]	92¾	[illegible]	7.20
NIPPON TEL & TEL 5 7/8 96	50000	[illegible]	95¾	[illegible]	6.82
NORWAY 5 1/8 95	50000	93¼	93½	[illegible]	7.02
SWEDEN 5 5/8 95	20000	[illegible]	94¾	[illegible]	7.13
WORLD BANK 6 3/4 00	50000	[illegible]	99¼		6.82

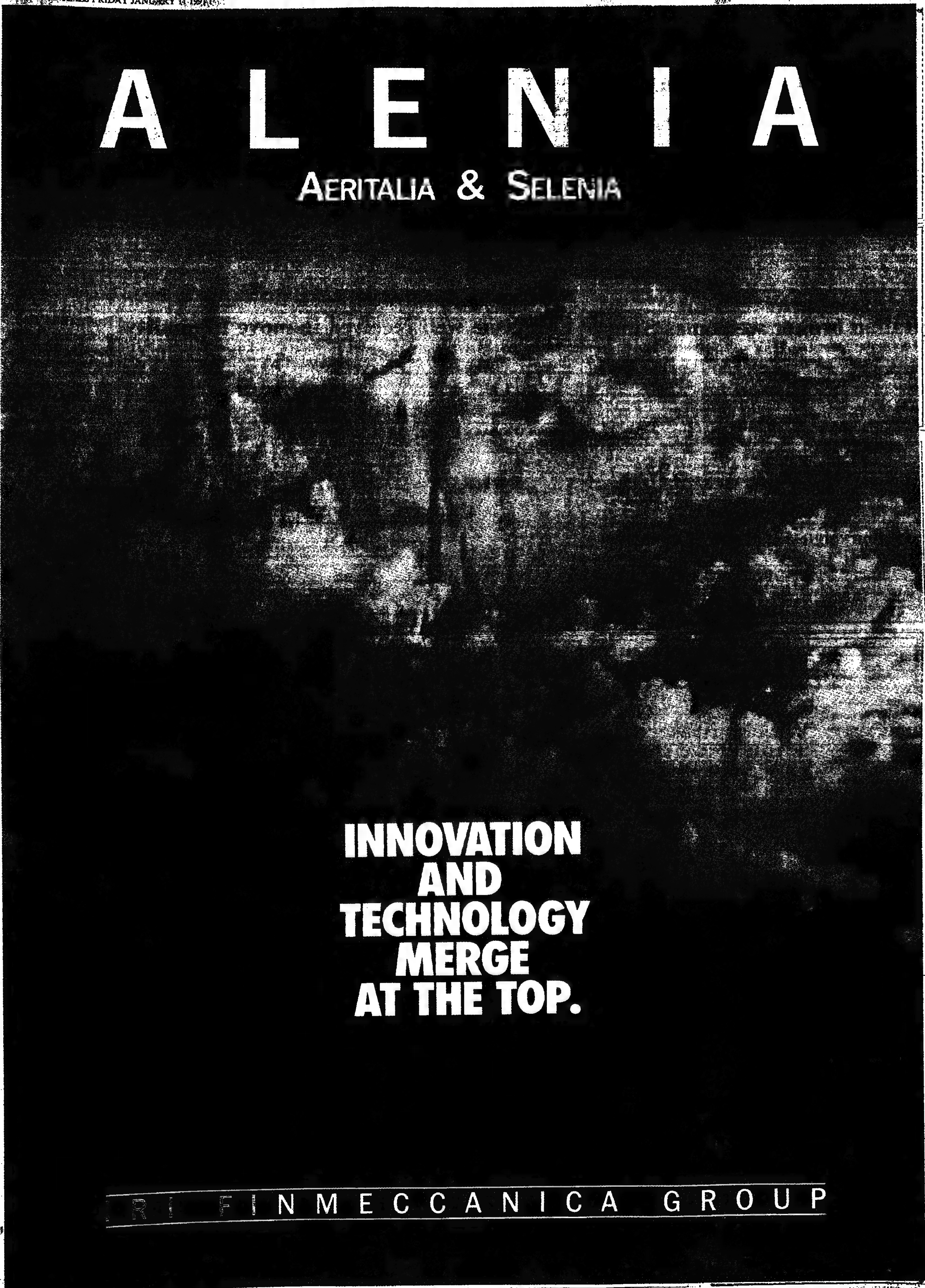
OTHER STRAIGHTS	Issued	Bid	Offer	Chg. day	Yield
COUNCIL EUROPE 7 94 LFr	600	93¾	94¾	[illegible]	[illegible]
KREDIETCORP 7 93 LFr	1000	93¼	94¼	[illegible]	[illegible]
WORLD BANK 8 96 LFr	1000	94	95	[illegible]	[illegible]
AMRO BANK 6 1/4 92 Fl	150	96¼	96¾	[illegible]	[illegible]
RABOBANK 5 3/4 93 Fl	150	92¼	93	[illegible]	[illegible]
ALBERTA PROVINCE 10 92 C$	500	98¼	98¾	[illegible]	11.20
BCE INC 9 5/8 93 C$	300	96¼	96¾	[illegible]	11.58
BELL CANADA 10 5/8 99 C$	150	96¼	96¾	[illegible]	11.26
BRITISH COLUMBIA 9 1/4 93 C$	150	96¼	96¾	[illegible]	11.39
EIB 10 1/8 98 C$	130	96¼	97	[illegible]	10.80
FORD CREDIT CANADA 10 94 C$	100	95¼	[illegible]	[illegible]	11.51
GENERAL ELECT CAP 10 1/4 93 C$	175	98¼	[illegible]	[illegible]	10.70
MONTREAL TRUSTCO 8 1/2 92 C$	100	[illegible]	98¼	[illegible]	12.43
ONTARIO HYDRO 10 7/8 99 C$	[illegible]	[illegible]	98¾	[illegible]	11.22
QUEBEC PROV 10 1/2 98 C$	200	[illegible]	96¾	[illegible]	11.21
ROYAL TRUSTCO 10 1/4 93 C$	100	[illegible]	97	[illegible]	[illegible]
SWEDEN 9 3/4 93 C$	250	[illegible]	[illegible]	[illegible]	[illegible]
AUSTRIA 7 3/8 93 Ecu	125	[illegible]	[illegible]	[illegible]	10.71
CNT 7 3/8 93 Ecu	[illegible]	[illegible]	[illegible]	[illegible]	10.77
CREDIT LYONNAIS 9 96 Ecu	[illegible]	[illegible]	96¼	[illegible]	10.80
DENMARK 7 5/8 96 Ecu	250	[illegible]	90¼	[illegible]	[illegible]
EEC 7 5/8 94 Ecu	200	93¼	93¾	[illegible]	10.29
EIB 10 97 Ecu	1125	99¾	100¼	[illegible]	10.02
ITALY 10 3/4 00 Ecu	1000	103¼	103¾	[illegible]	10.13
SWEDEN 7 1/2 93 Ecu	250	91¼	[illegible]	[illegible]	11.30
BMW FINANCE 14 1/2 92 A$	100	101¼	[illegible]	[illegible]	12.99
COUNCIL EUROPE 13 93 A$	50	101	[illegible]	[illegible]	12.39
EKSPORTFINANS 12 3/8 95 A$	75	99¾	100¼	[illegible]	12.36
FORD CRED AUST 13 93 A$	50	99½	100	[illegible]	13.22
ICI 15 1/2 92 A$	100	102¼	103¼	[illegible]	[illegible]
MCDONALDS CANADA 15 95 A$	100	105¼	105¾	[illegible]	13.24
NAT AUSTRALIA BANK 14 3/4 94 A$	150	103¼	104	[illegible]	13.27
STATE BK NSW 14 1/4 99 A$	100	106¼	106¾	[illegible]	12.95
VOLKSWAGEN INTL 15 94 A$	100	104¾	105¼	[illegible]	13.10
ABBEY NATL TREAS 13 3/8 95 £	100	103¼	[illegible]	[illegible]	12.14
BARCLAYS JERSEY 9 1/2 93 £	[illegible]	[illegible]	[illegible]	[illegible]	12.27
BRITISH GAS 12 3/4 95 £	150	103⅛	104¼	[illegible]	11.57
DEUTSCHE BK FIN 11 94 £	225	98	98½	[illegible]	11.82
EIB 10 97 £	300	94¼	94¾	[illegible]	11.32
FORD CREDIT FUNDING 9 5/8 93 £	50	93¾	94¼	[illegible]	[illegible]
INTER AMER DEV 11 3/8 95 £	75	99¾	100¼	[illegible]	[illegible]
ITALY 10 1/2 14 £	400	91¼	91¾	[illegible]	11.53
LAND SECS 9 1/2 07 £	200	78	78½	[illegible]	12.75
LEEDS PERMANENT 9 1/4 93 £	[illegible]	93¼	93¾	[illegible]	12.57
NORWAY 10 1/2 94 £	200	97	97¼	[illegible]	11.60
ROLLS-ROYCE 9 5/8 93 £	150	93¼	94	[illegible]	12.38
SAINSBURY 10 7/8 93 £	100	97¼	97¾	[illegible]	12.44
SKANDINAVISKA ENSK 13 1/8 95 £	100	103	103¼	[illegible]	12.13
WORLD BANK 11 1/4 95 £	100	99½	100	[illegible]	11.36
ABBEY NATIONAL 0 96 NZ$	100	46½	47¼	[illegible]	14.29
TELECOM NZ O/S FIN 13 1/8 93 NZ$	[illegible]	99¾	100¼	[illegible]	13.33
AIDC 7 7/8 93 FFr	600	[illegible]	94	[illegible]	10.72
CREDIT LYONNAIS 10 95 FFr	2000	[illegible]	98¾	[illegible]	10.48
EURATOM 7 5/8 98 FFr	500	86¼	86¾	[illegible]	10.37

FLOATING RATE NOTES	Issued	Bid	Offer	C.cpn
ABBEY NATIONAL 1/16 00 £	150	[illegible]	99.80	13.9375
ALBERTA PROVINCE 1/32 93	500	[illegible]	[illegible]	7.5938
ALLIANCE & LEICS 0.08 94 £	300	[illegible]	[illegible]	13.9550
BANCO ROMA 0.03 01	200	91.00	[illegible]	7.5963
BANCO SANTO SPIRITO 93	200	99.52	99.62	8.4375
BELGIUM 1/16 97 DM	500	99.90	100.05	8.8125
BFCE -0.02 96	350	99.76	99.86	7.7925
BNP 05	300	97.18	97.48	7.8750
BRITANNIA 1/10 96 £	150	99.56	99.61	13.9750
CITIZENS FED 0.15 96	[illegible]	99.25	[illegible]	[illegible]
COMMERZBK O/S FIN 93	200	[illegible]	99.78	7.9375
DENMARK -1/8 96	1000	[illegible]	99.07	8.0000
ELEC DE FRANCE 1/8 99	400	99.90	100.73	8.3750
FERRO DEL STAT 94	200	100.10	100.20	8.2500
HALIFAX 1/10 94 £	200	99.45	99.50	13.9750
HILL SAMUEL 1/4 PERP	75	82.00	86.00	8.5000
MITSUI FIN ASIA 1/8 96	100	99.15	99.28	8.1875
MORGAN (JP) 1/4 97	[illegible]	97.66	[illegible]	8.4375
NAT WEST FIN 3/16 05	[illegible]	91.91	[illegible]	8.3125
NEW ZEALAND 93	[illegible]	99.43	99.57	8.0625
QUEBEC PROV 01	300	97.03	97.20	8.1250
RENFE 98	500	99.7[illegible]	99.86	7.8750
SOCIETE GENERALE 96	300	98.69	[illegible]	8.0000
STATE BK VICTORIA 0.05 99	125	97.81	98.06	8.4375
UNITED KINGDOM -1/8 96	4000	100.06	100.11	7.9375

CONVERTIBLE BONDS	Issued	Conv. price	Bid	Offer	Prem
ARGYLL GROUP 4 1/2 02 £	60	2.95	105¼	106¼	[illegible]
ASDA-MFI 4 3/4 02 £	100	1.64	109¾	110¾	[illegible]
BURTON GROUP 4 3/4 01 £	110	[illegible]	106¼	107¾	[illegible]
EASTMAN KODAK 6 3/8 01	300	50.67	93¾	94¾	+20.48
GOLD KALGOORLIE 7 1/2 00	65	1.0554	63	64¼	+25.57
GOODYEAR TIRE 6 7/8 03	150	80¼	56	57¼	[illegible]
GRACE (WR) 6 1/4 02	150	42¼	75¾	77	+31.79
GRAND MET 6 1/4 02 £	100	6.36	102¼	103¼	-0.46
HAWLEY 6 02 PREF	400	1.91	90¼	92¼	+36.25
HILLSDOWN 4 1/2 02 £	150	4.16	103¼	104¼	+76.97
INTL PAPER 5 3/4 02	200	68¼	89¼	90¼	+19.30
LAND SECS 6 3/4 02 £	84	6.72	84¼	85¼	+9.36
MITSUBISHI BK 1 3/4 02	[illegible]	[illegible]	84¼	86¼	-2.06
OGDEN 6 02	[illegible]	[illegible]	65¼	66¼	+37.43
PACIFIC DUNLOP 6 3/4 97	[illegible]	3.749	101	102¼	-3.68
TEXAS INSTRUMENTS 2 3/4 02	[illegible]	82¼	80	81	+71.10
THORN EMI 5 3/4 04 £	103	7.45	103¼	104¼	+15.36

* No information available - previous day's price
‡ Only one market maker supplied a price

STRAIGHT BONDS: The yield is the yield to redemption of the bid-price; the amount issued is in millions of currency units. Chg. day = Change on day.
FLOATING RATE NOTES: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. Spread = Margin above six-month offered rate (three-month §above mean rate) for US dollars. C.cpn = The current coupon.
[illegible]BLE BONDS: Denominated in dollars unless otherwise indicated. Cnv. price = Nominal amount of bond per share expressed in [illegible] share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.


ALENIA
AERITALIA & SELENIA
INNOVATION AND TECHNOLOGY MERGE AT THE TOP.
IRI FINMECCANICA GROUP

INTERNATIONAL CAPITAL MARKETS

Papua New Guinea [illegible] $1bn for oil development

By Stephen Fidler, Euromarkets Correspondent

A DEBT financing for a $1bn oil development in Papua [illegible] Guinea is being raised [illegible] international banks.

The financing for the Kutubu oil project will raise up to $324m of debt for [illegible] borrowers involved in the project: [illegible]pol Exploration, a subsidiary of Pioneer Industries of Australia, and an [illegible] of Pioneer, based in Papua [illegible] Guinea, Oil Search.

The other companies involved, Chevron as operator, BHP, British Petroleum and the Mitsubishi Group, are expected to finance their share out [illegible] their own funds. The government of Papua New Guinea will have a 22½ per cent [illegible] in the project, [illegible] stake being paid for out of future oil revenues.

The actual sums raised will depend [illegible] the project's ability to support debt as measured by a number of variables, such as [illegible] remaining oil [illegible] If 100 [illegible] cent debt funded, Ampoex will [illegible] $220m [illegible] Oil [illegible] up to $104m.

[illegible] completion of the project, which includes a gravity-fed pipeline to a mooring buoy, both financings [illegible] non-recourse to the companies. Production [illegible] expected [illegible] towards the end of the [illegible] quarter next year.

The expected production [illegible] the development is expected at 220m barrels, and daily [illegible] declining from the initial 120,000 barrels [illegible] day. The pipeline is expected be usable for other developments.

The financing includes political risk insurance through OPIC, the [illegible] government agency [illegible] the Australian export credit agency.

It is also possible that the International Finance Corporation, [illegible] World Bank affiliate created to [illegible] the growth [illegible] private sector in developing countries will [illegible] lend [illegible] its own account to Oil Search.

[illegible] financing [illegible] priced initially at a different margin over London [illegible] rates, but the margins become identical [illegible] production has started. [illegible] of the facility is between six and seven years, but the average life of the financing is expected to be about four years, with principal repayments skewed towards the early [illegible] when production is highest.

Syndication among banks is 75 per cent complete, with around 10 [illegible] in [illegible] financing. Bankers Trust won the mandate for the financing against a competing bid from Chase Manhattan and Deutsche Bank.

Finland opens doors to foreign investment

Tracy Corrigan explains the impact of liberalisation on a small Scandinavian market

WHEN the final stage of liberalisation is completed in February, the [illegible] bond market will at last be fully [illegible] for foreign business.

The market is small, [illegible] by Scandinavian standards, but offers some of the highest yields in Europe, [illegible] recent favourable trends [illegible] caught [illegible] attention of [illegible] international investors.

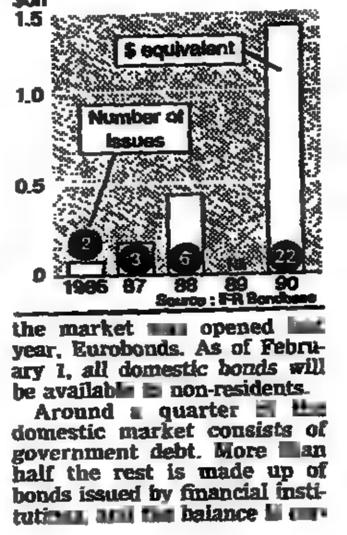
Since February 1990, foreigners have been allowed to buy newly-issued [illegible] markka domestic bonds, but not bonds launched before that date.

Outstanding bonds in the domestic market total over FM100bn, and only 20 per cent of that market – the FM22bn of bonds issued since February [illegible] – has been available to investors outside Finland [illegible]

They have also been allowed [illegible] buy markka-denominated international bonds, and, since the market [illegible] opened [illegible] year, Eurobonds. As of February 1, all domestic bonds will be available [illegible] non-residents.

Finnish markka

International and Eurobond issues



Source: IFR Bondbase

Around a quarter [illegible] the domestic market consists of government debt. More [illegible] half the rest is made up of bonds issued by financial institutions, [illegible] balance [illegible] corporate debt. According to Nomura Research Institute, only about FM45bn will be likely to attract foreign interest, due to [illegible] volume of private placements. Further, some bonds [illegible] issued free of all tax to Finnish investors, and so [illegible] relatively low yields.

Although [illegible] market's lack of liquidity will remain a sticking point, fundamental economic trends are claiming some international interest. With bond yields over 14 per cent and inflation expected to [illegible] below 5 per cent in 1991, [illegible] interest rates are among [illegible] in Europe. "The economy is slowing down," says Mr Andrew White, a UBS analyst, citing falling industrial production and a non-inflationary December [illegible] agreement.

[illegible] government traditionally follows a strict currency policy, keeping [illegible] markka [illegible] against an index of 15 currencies.

Meanwhile, the structure of the Finnish market is shifting. Finnish insurance companies and pension funds find it difficult to meet their demand for [illegible]-term bonds, [illegible] maximum maturity in the government bond [illegible] is five [illegible] Consequently, many lent directly to companies, often their parent companies.

This practice is expected to die out as a more sophisticated bond market grows. A market in mortgage bonds, or even mortgage-[illegible] bonds, could develop, according to Mr William Ledward, senior European economist [illegible] Nomura Research Institute.

In addition, the size [illegible] the government bond market is likely to increase. "The Finnish government is moving from surplus to debt, [illegible] will never [illegible] a huge funding requirement," says Mr Ledward.

Meanwhile, the government has continued to issue new bonds, even when the net amount of government bonds has been shrinking, in order to replace tax-free bonds with taxable paper. Despite a [illegible] redemption of FM2bn in the first half of 1990, the size [illegible] market reached FM27.5bn, as of June 1990, growing [illegible] in five years.

The growth of the international bond, and, since last year, Eurobond market has been hampered by the lack of swap opportunities, which has effectively limited the market to borrowers with a requirement for Finnish markka. The free [illegible] to short-term money market instruments and associated derivative products granted to non-residents on January 1 1991 should help the nascent swap market to develop.

Italian broker welcomes Sims

By Haig Simonian in Milan

ITALY'S leading stockbroker yesterday welcomed the [illegible] try's new law on stock exchange reform, which [illegible] into operation on Monday, while sounding a warning note about [illegible] future of physical trading on the bo[illegible] floor.

Mr Attilio Ventura, the chairman of the Milan stock exchange, [illegible] the Societa di Intermediazione Mobiliare (SIM), Italy's new type of broker-cum-fund manager, [illegible] increase transparency.

Taken with the decision to concentrate equity trading on the [illegible] floor and the gradual [illegible] of a computer-based trading system for shares, Mr Ventura claimed the Italian market now had the [illegible] to [illegible] up [illegible] its big counterparts in Europe.

However, he was unable [illegible] give details on whether Milan would move to [illegible] entirely screen-based system, or on how the introduction of new technology would [illegible] trading hours.

[illegible] trading, [illegible] is due to start with a limited number of shares in July, will operate at the [illegible] alongside the existing auction system.

Following the introduction of electronic trading, it [illegible] possible to envisage a [illegible] phase, in which deals would be done exclusively from outside [illegible] bourse, he [illegible]

"The bourse will lose some physical [illegible], but [illegible] not be completely void of human beings," he said. Trading in certain [illegible] stocks, which [illegible] form part of [illegible] electronic system, and dealings in fixed-income securities and [illegible] and options trading [illegible] fill the gap.

Italy currently lacks a market for trading derivative financial products, although the new Sims [illegible] makes [illegible] provision for their introduction.

[illegible] Ventura expressed opti[illegible] on the enactment this [illegible] legislation regarding takeover bids and insider trading. By [illegible], he was unable to shed light on the saga of when foreign companies would list in Milan.

EIB [illegible] well received in move to quality

By Tracy Corrigan

ONLY sovereign and supranational borrowers tapped [illegible] international bond markets yesterday as investors' focus on credit quality is heightened by potential [illegible] in the Gulf, limiting [illegible] market's receptiveness [illegible] lesser credits.

The European Investment Bank is carrying on [illegible] operations in the capital markets, [illegible] finance the steady disbursement of loans, an official said. The agency brought two deals yesterday, a DM200m [illegible] year issue of floating-rate notes, and a £100m tranche, added to its outstanding £300m issue of 10½ per cent bonds due 1999. Neither deal was swapped.

Demand for the D-mark floater was firm, partly because floating-rate notes are considered less vulnerable than fixed-rate bonds in times of volatility. The deal, launched by Dresdner, was bid at 99.80, within full fees.

[illegible] EIB's sterling offering was also well [illegible] ing to lead [illegible] Montagu, which fully underwrote the deal. The bonds were launched at a yield spread of 35 basis points above [illegible] comparable gilt, a full 5 basis points more than the existing bonds.

A [illegible] in [illegible] Spanish matador [illegible] for the Republic of Austria [illegible] demand, despite being tightly priced in relation to outstanding matador bonds, [illegible] newly liberalised government [illegible]. A matador [illegible] bond issued by a foreign borrower in the Spanish [illegible].

Austria is only [illegible] second sovereign borrower [illegible] market, following Denmark's debut in August.

The Pta15bn six-year [illegible] was aggressively priced to yield 13.35 per cent, 30 [illegible] points less than the Denmark [illegible] yielding. [illegible], little [illegible] is available.

Austria's sovereign debt appeared [illegible] command [illegible] rarity value, [illegible] though, as of January [illegible], withholding [illegible] Spanish government bonds for foreign investors [illegible] abolished, opening a much larger and more actively traded market in sovereign [illegible] to non-residents.

In [illegible], the government bond market offers higher yields. For example, five-year Spanish government bonds yield around 14.30, nearly a full point more than the new Austria deal. However, the government [illegible] market is very illiquid [illegible] longer than five years.

[illegible] many bonds were placed with retail investors, who may prefer bearer (matador) bonds to registered (government) bonds.

The [illegible] swapped [illegible] the [illegible] transaction [illegible] by [illegible] Spanish authorities since the autumn, [illegible] a moratorium on peseta swaps was declared.

● In the [illegible] medium-term note market, Swedish Export Credit is issuing up to $100m of oil-linked notes, which offer investors a means of hedging against rising [illegible]. The [illegible] notes, [illegible] Goldman Sachs, pay interest at 10⅝ per cent, providing the [illegible] does not fall below $15 per barrel. The yield on the notes falls to nothing if the price of oil drops to $12.50.

INTERNATIONAL BONDS

NEW INTERNATIONAL BOND ISSUES

Borrower	Amount m.	Coupon %	Price	[illegible]	Fees	Book runner
STERLING						
EIB(b)◆	100	10½	[illegible]	1999	-	Samuel Montagu
D-MARKS						
EIB(c)†◆	200	(c)	100	2001	¼/⅛	Dresdner Bk
PESETAS						
Republic of Austria(a)◆	15bn	13.55	101.80	1997	1⅞	Bco.Bilbao Vizcaya

[illegible] placement. §Convertible. ‡With equity [illegible] †Floating rate note. ◆Final terms. [illegible] Non-callabe. b) Fungible [illegible] £300mn deal. Non-callable. c) Coupon [illegible] 3-month [illegible] 15bp. [illegible] 2 years at par, then on each coupon [illegible] thereafter.

Rothschild to advise on Polish bank sell-off

By Christopher Bobinski in Warsaw

N.M. ROTHSCHILD and Sons [illegible] to advise Poland's Export Development Bank (BRE) [illegible] its privatisation, the country's first big banking sale.

The BRE, which [illegible] assets of $450m, [illegible] set up by the government [illegible] 1986 to develop Poland's trading potential. It is 51 per cent owned by the foreign trade and finance ministries.

Decisions have yet to be taken on strategy and date of the privatisation. However the BRE [illegible] expected to [illegible] a foreign bank [illegible] buy a significant number of shares rather than rely on a public offer to private domestic investors.

● Taiwan's Finance Ministry said it will issue T$30bn worth [illegible] government bonds today to help finance the budget deficit, Reuter reports from Taipei. The five-year bonds carry a coupon of 9.75 per cent and will be sold to the public and financial institutions. A ministry official said: "We have to issue the bonds as we have not received enough in taxes since the stock [illegible] last year."

Sainsbury signs £250m CP programme

[illegible] Simon London

J. SAINSBURY, the UK food retailing group, has signed a £250m commercial paper programme arranged by Barclays de Zoete Wedd.

The four dealers to the programme are [illegible], Midland Bank, NatWest Capital Markets and Swiss Bank Corporation. The deal enables Sainsbury to issue paper in sterling or dollars with maturities ranging from seven to 365 days.

The [illegible] will be used to [illegible] working capital requirements and replaces an existing £100m facility, which was regarded as a benchmark deal in the sector when signed in 1986.

Total [illegible] outstanding in the market [illegible] to £5.28bn.

LONDON MARKET STATISTICS

FT-ACTUARIES SHARE INDICES

© The Financial Times Ltd 1990. Compiled by the Financial Times Ltd in conjunction with the Institute of [illegible] and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show [illegible] of stocks per section)	Thursday January [illegible] 1991 Index No.	Day's [illegible] %	Est. Earnings Yield% [illegible]	[illegible] Div. Yield% (Act at (25%))	Est. P/E Ratio (Net)	xd adj. 1991 to date	Wed Jan 9 Index No.	[illegible] Jan 8 Index No.	Mon Jan 7 Index No.	Year ago (approx) Index No.
1 CAPITAL GOODS (188)	701.04	-1.4	15.15	6.79	8.05	0.00	710.63	700.97	705.45	949.65
2 Building Materials (25)	950.77	-1.8	[illegible]	[illegible]	8.13	0.00	967.74	958.54	966.29	1171.87
3 Contracting, Construction (31)	1080.79	-0.8	[illegible]	7.28	7.63	0.00	1089.94	1087.38	1100.19	1602.24
4 Electricals (10)	1894.24	.....	14.84	7.04	8.24	0.00	1895.15	1879.05	1884.90	2695.59
5 Electronics (26)	1515.32	-0.6	10.57	5.68	12.61	0.00	1524.99	1508.84	1511.23	2012.44
6 Engineering-Aerospace (8)	391.35	-2.3	17.15	6.24	6.98	0.00	400.67	394.96	396.05	489.02
7 Engineering-General (47)	356.41	-1.5	16.39	7.19	7.36	0.00	361.69	359.75	360.91	500.88
8 Metals and Metal Forming (8)	397.49	-0.7	22.98	8.66	5.37	0.00	400.26	395.35	398.25	492.88
9 Motors (13)	282.40	-1.8	17.67	8.52	6.60	0.00	287.71	280.63	284.06	397.31
10 Other Industrial Materials (20)	1208.52	-1.6	13.91	6.72	8.31	0.00	1228.21	1197.55	1206.83	1754.02
21 CONSUMER GROUP (181)	1212.76	-1.0	10.09	4.30	12.30	[illegible]	1224.58	1209.09	1213.90	1345.36
22 Brewers and Distillers (22)	1586.97	-1.1	10.22	3.92	12.05	[illegible]	1604.57	1577.83	1579.32	1568.17
25 Food Manufacturing (20)	1033.13	-0.9	11.17	4.80	11.04	[illegible]	1042.98	1029.53	1033.49	1167.25
26 Food Retailing (16)	2267.53	-0.8	9.77	3.32	13.36	0.00	2286.32	2277.00	2285.98	2334.43
27 Health and Household (20)	2476.16	-0.7	7.28	3.09	16.30	0.00	2493.07	2468.36	2488.96	2737.86
29 Hotels and Leisure (22)	1170.67	-1.3	11.91	5.82	9.90	[illegible]	1185.95	1173.37	1187.71	1683.63
30 Media (25)	1205.74	-1.3	12.43	5.63	10.12	[illegible]	1221.78	1207.51	1212.80	0.00
31 Packaging & Paper (11)	514.68	-0.6	10.31	6.67	11.91	[illegible]	517.66	512.77	517.40	599.22
34 Stores (34)	789.17	-1.1	10.82	4.63	12.04	[illegible]	798.21	781.95	779.37	821.18
35 Textiles (11)	407.67	.....	14.12	8.62	9.08	[illegible]	407.75	406.29	405.73	547.27
40 OTHER GROUPS (111)	989.51	-0.9	12.95	6.04	9.34	[illegible]	998.24	982.87	987.71	1222.58
41 Business Services (12)	995.32	-0.9	12.58	5.41	9.46	0.00	1004.01	990.75	996.35	0.00
42 Chemicals (22)	1031.10	-0.7	13.67	6.87	8.64	0.00	1038.31	1027.40	1038.06	1283.72
43 Conglomerates (11)	1235.49	-1.2	13.98	8.25	8.50	0.00	1250.50	1221.85	1230.94	1707.15
44 Transport (15)	1851.86	-1.5	13.99	5.49	8.83	0.00	1879.24	1859.67	1867.33	2405.21
45 Electricity (12)	998.69	-0.7	12.35	7.05	9.77	[illegible]	1005.35	996.33	994.96	0.00
46 Telephone Networks (3)	1129.18	-0.8	11.85	4.48	10.98	0.00	1137.80	1119.30	1120.69	1254.22
47 Water (10)	2197.71	-0.1	14.25	[illegible]	[illegible]	[illegible]	2200.60	2184.90	2193.18	1980.33
48 Miscellaneous (26)	1554.66	-1.0	12.26	5.88	9.49	[illegible]	1570.96	1535.58	1547.48	1963.75
49 INDUSTRIAL GROUP (480)	1018.68	-1.0	12.03	5.36	10.18	0.00	1029.15	1015.04	1019.89	1224.06
51 Oil & Gas (20)	2226.39	-0.6	10.05	5.73	13.00	0.00	2239.25	2251.90	2267.04	2383.06
59 500 SHARE INDEX (500)	1118.38	-1.0	11.74	5.41	10.51	0.00	1129.14	1116.84	1122.50	1321.54
61 FINANCIAL GROUP (98)	695.57	-0.8	-	6.84	-	0.00	701.24	689.20	697.84	852.59
62 Banks (9)	738.09	-1.1	21.75	7.84	6.02	0.00	746.05	728.82	739.17	890.30
65 Insurance (Life) (7)	1260.68	-0.5	-	6.09	-	0.00	1266.60	1243.13	1259.94	1406.20
66 Insurance (Composite) (6)	600.16	-1.3	-	7.13	-	0.00	608.14	594.46	601.95	717.46
67 Insurance (Brokers) (8)	982.44	-0.6	7.50	6.56	17.47	0.00	988.06	986.73	993.19	1162.06
68 Merchant Banks (7)	343.94	-0.7	5.66	5.97	23.54	0.00	346.29	347.46	352.16	496.05
69 Property (41)	943.31	+0.1	7.21	5.00	18.84	0.00	942.72	933.58	943.52	1226.18
70 Other Financial (20)	245.69	-1.3	11.11	7.36	11.37	0.00	248.81	248.14	250.14	347.49
71 Investment Trusts (69)	971.97	-1.2	-	4.19	-	0.00	983.96	973.69	980.46	1299.47
99 ALL-SHARE INDEX (667)	1013.81	-0.9	-	5.58	-	0.00	1023.43	1011.39	1017.62	1209.67

	Index No.	Day's Change	Day's High (a)	Day's Low (b)	Jan 9	Jan 8	Jan 7	Jan 4	Jan 3	Year ago
FT-SE 100 SHARE INDEX‡	2108.7	-20.2	2114.3	2103.6	2128.9	2099.9	2113.3	2126.1	2117.8	2417.9

FIXED INTEREST

PRICE INDICES	Thu Jan 10	Day's change %	Wed Jan 9	Accrued interest	xd adj. 1991 to date
British Government					
1 Up to 5 years (28)	119.42	+0.01	119.41	1.92	0.00
2 5-15 years (32)	129.03	-0.22	129.32	2.59	0.00
3 Over 15 years (8)	136.07	-0.47	136.70	2.29	0.00
4 Irredeemables (6)	149.98	+0.26	149.58	1.64	0.00
5 All stocks (74)	128.21	-0.16	128.42	2.35	0.00
Index-Linked					
6 Up to 5 years (2)	158.01	+0.06	157.92	0.81	0.00
7 Over 5 years (10)	144.03	-0.02	144.28	0.59	0.23
8 All stocks (12)	144.96	-0.01	145.19	0.61	0.21
9 Debs & Loans (54)	104.32	+0.03	104.28	2.30	0.00

AVERAGE GROSS REDEMPTION YIELDS		Thu Jan 10	Wed Jan 9	Year ago (approx.)
British Government				
1 Low	5 years	9.92	9.91	10.37
2 Coupons	15 years	9.98	9.94	9.86
3 (0%-7¾%)	25 years	10.03	9.96	9.82
4 Medium	5 years	10.82	10.81	11.39
5 Coupons	15 years	10.38	10.32	10.31
6 (8%-10¾%)	25 years	10.21	10.16	9.94
7 High	5 years	10.94	10.93	11.53
8 Coupons	15 years	10.57	10.51	10.49
9 (11%-)	25 years	10.36	10.30	10.06
10 Irredeemables		10.21	10.24	9.88
Index-Linked				
11 Inflation rate 5%	Up to 5yrs.	3.92	3.93	3.83
12 Inflation rate 5%	Over 5 yrs.	4.17	4.17	1.66
13 Inflation rate 10%	Up to 5 yrs.	2.64	2.66	2.98
14 Inflation rate 10%	Over 5 yrs.	4.00	3.99	3.49
15 Debs &	5 years	12.62	12.63	13.31
16 Loans	15 years	12.37	12.37	12.30
17	25 years	12.14	12.14	12.23

‡Opening Index 2109.3; 9 am 2105.3; 10 am 2111.0; 11 am 2110.4; Noon 2107.9; 1 pm 2109.8; 2 pm 2109.7; 2.30 pm 2110.5; 3 pm 2109.5; 4.10 pm 2108.9; (a) 10.12am (b) 8.42am † Flat yield. Highs and lows record, base dates, values and constituent changes are published in Saturday issues. A list of constituents is available from the Publishers, The Financial Times, [illegible] Bridge, London [illegible] 9HL. The FT-ACTUARIES SHARE INDICES SERVICE includes details of the information [illegible] These are available by subscription from FINSTAT, 071-925 2323.

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	[illegible]	[illegible]	24
Corporations, Dominion and Foreign Bonds	0	5	[illegible]
Industrials	[illegible]	536	891
Financial and Properties	69	267	410
Oils	16	39	38
Plantations	1	0	9
Mines	[illegible]	29	[illegible]
Others	[illegible]	101	[illegible]
Totals	288	1,027	[illegible]

LONDON RECENT ISSUES

EQUITIES

[illegible]

FIXED INTEREST STOCKS

[illegible]

RIGHTS OFFERS

[illegible]

Dividend and yield [illegible] other official estimates for 1989/90. Q Gross. R Forecast annualised dividend cover and p/e ratio [illegible] or other official estimates. W Pro Forma figures. [illegible] by tender. [illegible] to holders [illegible] "rights". † Introduction. § Placing price. †† Reintroduction. ¶ Unlisted securities market. [illegible] in connection with reorganisation, merger or takeover.

TRADITIONAL OPTIONS

● First Dealings Jan. 7
● Last Dealings Jan. 18
● Last Declarations April 11
● For settlement April 22

For rate indications see end of London Share Service

Calls in Brent Walker, Crossroads Oil, Eurotunnel [illegible] Saatchi & Saatchi, [illegible] in T. Cowie, Lex Service and [illegible]

LONDON TRADED OPTIONS

THE COLLAPSE of talks between the US and Iraqi foreign ministers led to an early mark down in stock index futures, [illegible]ough by the close the market [illegible] become more optimistic [illegible] closed [illegible] the day's lows.

E[illegible]ty futures t[illegible] their cue from Wall Street with March FT-SE 100 index contract opening [illegible] points lower at 2,145. The heightened prospect of a Gulf [illegible] encouraged a [illegible] 2,138. However, the [illegible] was not strong and [illegible] noted support at the lower levels.

The stability [illegible] sterling [illegible] rally in [illegible] oil [illegible] allowed some [illegible] recover their [illegible] They began to buy modest amounts of stock futures.

[illegible] it became [illegible] that the losses would be limited there was a small increase in confidence on the futures market. The March [illegible] began to trade at a premium of more than 50 points to the cash index, against 45 earlier on and brokers' 35-point estimate of fair value.

In spite of the [illegible] underlying [illegible] futures market, there was [illegible] scope for arbitrageurs. The shortage of stock in the physical market meant [illegible] a profit could [illegible] be [illegible] by [illegible]ing futures and buying shares.

[illegible] for the [illegible] of the [illegible], the futures market traded at a strong premium to the cash, but was unable to exert much influence on the stock market. March FT-SE finished at 2,166, down 25 points on the day, while its premium to the cash [illegible] at 48 against 52.

The change in oil prices [illegible] made for an [illegible] stock options. A total of 1,552 contracts were traded, with the April 330 calls the [illegible] as 1,000 were [illegible]. A cut in profit estimates for Ladbroke swelled turnover [illegible] options to 1,237 [illegible]. Other [illegible] included British Aerospace as Barclays de Zoete Wedd sold the May 500 puts and 550 [illegible] traded 1,130.

Option		Calls Jan	Calls Apr	Calls Jul	Puts Jan	Puts Apr	Puts Jul
[illegible] Lyons [illegible]	420	64	82	88	1	5½	10
	460	27	51	60	4½	14	25
	500	4½	28	38	25	34	42
ASDA (*122)	110	13	18	23	1	5	7
	120	5	12	17	3½	9	12
	130	1	7	12	11	15	17
Brit. Airways [illegible]	130	16	22	25	2	5	8
	140	8	16	19	3½	10	13
	160	2	6½	9½	19	20	24
Unilever (*673)	650	35	54	72	4½	20	28
	700	6	28	43	32	46	52
Ultramar (*318)	300	25	35	47	4	12	16
	330	7	18	30	18	24	28

Option		Calls Jan	Calls Mar	Calls May	Puts Jan	Puts Mar	Puts May
Elec. Pig. [illegible]	1450	60	110	158	45	65	75
	1500	30	90	120	65	85	95
Eastern Elec	130	9	14	18	2½	4	6

Option		Calls Mar	Calls Jun	Calls Sep	Puts Mar	Puts Jun	Puts Sep
Amstrad (*63)	60	8	12	13½	5	6½	8
	70	3½	7	9	12	13	14
Barclays (*350)	330	35	42	48	14	18	24
	360	16	25	31	31	33	38
Blue Circle (*204)	200	19	23	27	9	17	18
	220	8	13	18	22	29	31
British Gas (*231)	220	17	27	29	7	9	12
	240	8	15	18	16	19	25
Dixons	140	12	17	18	9	13	15

[illegible]

LEGAL NOTICES

ASHBOURNE LODGE PLC
T/A ASHBOURNE LODGE HOTEL
(JOINT ADMINISTRATIVE RECEIVERS APPOINTED)

NOTICE IS HEREBY GIVEN, in pursuant to section 48 of the Insolvency Act 1986, that a MEETING of the CREDITORS of the above company will be held at The Grand Hotel, Colmore Row, Birmingham on Friday 18 January 1991 at 11.00 am for the purposes of having laid before it the report prepared by the Joint Administrative Receivers in accordance with the said section and, if thought fit, appointing a Committee.

Creditors whose claims are wholly secured are not entitled to attend or vote at the meeting. Creditors who are partly secured may only vote in respect of the balance of the amount due to them after deducting the value of the security as estimated by them. A creditor in respect of a debt due on, or secured by, a bill of exchange or promissory note must treat liability of any person who is liable on the bill antecedently to the com[redacted] a security held by [redacted] that [redacted] person is subject to a bankruptcy order or in liquidation).

Creditors wishing to vote at the meeting must [redacted] a written statement of their claims with us at Cork Gully, 43 Temple Row, Birmingham, B2 5JT no later than 12.00 noon on 17 January [redacted] Forms of proxy are enclosed which, if intended to be used, must also be lodged with us by that time.

DATED this 4th day of January 1991

Ian N Carruthers
Joint Administrative Receiver

No: 0010250 of 1990
IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
IN THE MATTER OF
WARNER ESTATE HOLDINGS PLC
- and -
IN THE MATTER OF
THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that an Order of the High Court of Justice, Chancery Division dated the 17th day of December, 1990 confirming the reduction of the capital of the above named Company from £4,000,000 to £2,431,245.50 and [redacted] Minute approved by the Court showing [redacted] respect to the capital [redacted] Company as altered the several partic[redacted] required by the above mentioned Act [redacted] registered by the Registrar of Compa[redacted] on the 31st day of December 1990.

Dated 4th January 1991

Clifford Chance
Royex House
Aldermanbury Square
London EC2V 7LD

Ref: RO/MBR
Solicitors of the Company

NO: 0010134 of 1990
IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION
IN THE MATTER OF SIMON ENGINEERING plc
and
IN THE MATTER OF THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Chancery Division) dated 17th December 1990 confirming the cancellation of the amount standing to the credit of the Share Premium Account of the Company was registered by the Registrar of Companies on 28th December 1990.

Dated this 11th day of January 1991.

Addleshaw Sons & Latham
Dennis House,
Marsden Street
Manchester
M2 1JD
Ref: RG
Solicitors for the Company

IN THE MATTER OF TURBOT TRADING LIMITED AND IN THE MATTER OF THE CYPRUS COMPANIES LAW CAP 113

Notice is hereby given that the creditors of the above named company which is being voluntarily wound up are required on or before the 12th day of February 1991 to send in their full names, thier addresses and descriptions, full particulars of their debts or claims and the names and addresses of their solicitors (if you) to the undersigned Mr Anthony Haji Roussone FCCA of Julia House, 3 Themistocles Dervis Street, P O Box 1612, Nicosia, Cyprus, the liquidator of the said company, and if so required by notice in writing from the said liquidator, are personally or by their solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.
Dated this 11th day of January 1991

A Haji [redacted] FCCA
Liquidator

WELLAND DEVELOPMENTS LIMITED

Registered number: 2197868
Nature of business: Construction and Development
Trade classification: 23
Date of appointment of joint administrative receivers: 21 December 1990
Name of person appointing the joint administrative receivers: Barclays Bank Plc
JOHN FREDERICK POWELL and DAVID ROBERT WILTON
Joint Administrative Receivers
(Office holder nos 249 and 292)
Cork Gully
Abacus House
32 Friar Lane
Leicester LE1 5RA

W S J HOMES LIMITED (Formerly Welland Homes West Limited)

Registered number: 1998619
Former company name(s):- Welland Homes West Limited
Nature of business: Construction and Development
Trade classification: 23
Date of appointment of joint administrative receivers: 21 December 1990.
Name of person appointing the joint administrative receivers: Barclays Bank Plc
JOHN FREDERICK POWELL and DAVID ROBERT WILTON
Joint Administrative Receivers
(Office holder nos 249 and 292)

Cork Gully
43 Temple Row
Birmingham B2 5JT

WELLAND HOMES EAST LIMITED

Registered number: 1923850
Nature of business: [redacted] and Development
Trade classification: 23
Date of appointment of joint administrative receivers: 21 December 1990
Name of person appointing the joint administrative receivers: Barclays Bank Plc
JOHN FREDERICK POWELL and DAVID ROBERT WILTON
Joint Administrative Receivers
(Office holder nos 249 and 292)

Cork Gully
Abacus House
32 Friar Lane
Leicester
LE1 5RA

WELLAND PROJECTS LIMITED

Registered number: 1962134
Nature of business: Construction and Developments
Trade classification: 23
Date of appointment of joint administrative receivers: 21 December 1990
Name of person appointing the joint administrative receivers: Barclays Bank Plc
JOHN FREDERICK POWELL and DAVID ROBERT WILTON
Joint Administrative Receivers
(Office holder nos 249 and 292)
Cork Gully
Abacus House
32 Friar Lane
Leicester LE1 5RA

CLUBS

UK COMPANY NEWS

Norton Group chief resigns

By Jane Fuller

MR PHILIPPE LE ROUX has resigned as chief executive of Norton Group, [redacted] motorcycle maker which has hit [redacted] because [redacted] a Department of [redacted] Industry [redacted] gation and a problematic [redacted] issue [redacted] fund [redacted] German acquisition.

[redacted] departure yesterday followed his failure [redacted] purchased [redacted] on [redacted] Robert Fleming, [redacted] bank, [redacted] resignation [redacted] to [redacted] DTI investigation [redacted] Monday [redacted] Nor[redacted] three [redacted]

[redacted] rights [redacted] announced [redacted] October, Mr Le Roux [redacted] he [redacted] full [redacted]

He [redacted] chief [redacted] resurrection of [redacted] motorcycle [redacted] acquisition [redacted] companies to provide development cash. He will retain a consultative role, while the chief executive's post will be filled by Mr James Tildesley, non-executive chairman.

Part of the debate aroused by the 15-for-4 rights issue was that most of its £6.5m proceeds would be devoted to completing the purchase of a German fasteners maker owned by the Jersey-based subsidiary of a Tildesley family trust [redacted]pany. The vendor, Roybridge, was lent nearly £2m by Norton to help buy the German company in 1989, but shareholders only discovered the loan in October.

Norton's shares were suspended for a few hours yesterday while it waited for the final £1.5m of the rights issue funds to arrive from T C Coombs, the underwriter.

Only 11 per cent of the issue, priced at 20p, was taken up by the closing date of December 10. By last Friday enough funds had come in to complete the £8.2m German deal, but the final tranche did not arrive until yesterday.

Mr Paddy Mahon, chairman of Coombs, said: "The whole problem revolved around a significant sub-underwriter's failure to meet its commitment."

Originally [redacted] had been outstanding [redacted] still [redacted] debt [redacted] than £1.5m. Mr [redacted] defaulter was.

He did, however, [redacted] Mr Tildesley and TCT Investments, another part of the Jersey trust company, had paid in full. This leaves TCT as the largest shareholder in [redacted] with 14 per cent. Mr Tildesley holds [redacted]

Mr Mahon [redacted] held [redacted] shares as [redacted]rity.

South Audley directors request liquidation

[redacted] David Barchard

SOUTH Audley Management, the [redacted] property and [redacted]agement services [redacted] which handled the personal [redacted] Mr Asil Nadir, [redacted] Polly [redacted] chairman, [redacted] go into liquidation [redacted] request [redacted] its directors.

South Audley Management [redacted] claims last summer concerning suspicious dealings in Polly [redacted] shares.

[redacted] followed [redacted] September 21 by [redacted] raid [redacted] Audley's Mayfair [redacted] the collapse of Polly Peck's share price.

Mr Peter Dunn, of Latham Crossley & Davis, the [redacted]vency specialists, is expected [redacted] appointed [redacted] liquidator [redacted] meeting [redacted] creditors [redacted] on January 30.

[redacted] of [redacted] meeting were [redacted] company's [redacted] yesterday. They are believed [redacted] relatively [redacted] in the liquidation [redacted] mainly [redacted] the story of Polly [redacted] autumn.

[redacted] Elizabeth Forsyth, [redacted] Audley chairman and a former [redacted] to Mr Nadir on his personal financial [redacted] was interviewed by the Serious Fraud Office on Tuesday.

Car market collapse turns First Tech red

By [redacted] Bolger

FIRST TECHNOLOGY, [redacted] automotive, fire, security [redacted] group, [redacted] the collapse in the US [redacted] UK [redacted] markets for [redacted] results, released yesterday, which fully justified the profits warning [redacted] in October.

The pre-tax loss of £836,000 for the six months to October 31 compared with a pre-tax profit of £3.05m in the corresponding period. Turnover fell from £20.63m to £18.19m.

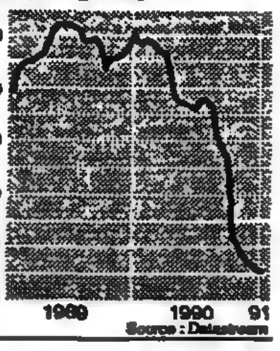
There was a loss per share of 3.5p, against earnings of 13.2p. The [redacted] dividend was [redacted] 1p [redacted]

[redacted] extraordinary item of £889,000 represented closure costs of Advanced Vehicle Concepts, the [redacted] US.

Mr Fred Westlake, executive chairman, said that in addition to the downturn in automotive design orders, the group had suffered from the dearth of orders from the Gulf for its fire safety systems.

The automotive sensors business had been hit by the drop in US sales, but this had been offset by increasing business [redacted] Europe. The [redacted] business increased sales. [redacted] margins [redacted] by the [redacted] manufacturing plants operating because [redacted] demand.

First Technology
Share price (pence)



Source: Datastream

■ COMMENT

[redacted] *hopes concerning safety* dummies and high-tech sensors may have given this group an over-glamorous rating in recent years, but the shares are now [redacted] look [redacted] Full-year profits of £1.5m would put [redacted] on [redacted] prospective multiple of 8.7, but the slashing [redacted] design [redacted] could easily double profits next year. At [redacted] the [redacted] are underpinned by [redacted] net asset value of 70p and the suspicion [redacted] the group could attract [redacted] predator.

Davies & Newman recovery gets underway via £28m sale

By Paul [redacted], Aerospace Correspondent

DAVIES & NEWMAN, the UK airline group which controls Dan-Air, has sold for £27.5m its loss-making Dan-Air Engineering division to [redacted] UK [redacted]iary [redacted] FLS [redacted] a Danish aircraft [redacted] company.

The [redacted] is the first step in [redacted] recovery [redacted]gramme initiated since Mr David [redacted] Trust chairman and energetic [redacted] doctor, [redacted] helm of [redacted] Newman ten [redacted]

Mr James said yesterday that the agreement with FLS was "a very important turning point in the fortunes of Dan-Air." The disposal of the engineering unit would bring immediate financial benefits to the group, as well as simplifying its structure and enabling the new management team to concentrate on the core airline business.

Davies & Newman had received about half a dozen serious approaches for its engineering division and inquiries from more than 40 compa[redacted]

The division employs about 1,600 people and had turnover of some £78m last year, with two thirds provided from Dan-Air for the maintenance of its fleet.

Under yesterday's [redacted] FLS will [redacted] to [redacted] and maintain Dan-Air's aircraft at its former facilities for at least three years.

However, the business, based at Gatwick, Lasham and Manchester, had substantially greater capacity, Mr James said. It suffered a pre-tax loss of [redacted] in 1989, which included a credit of £1.3m from the previous year. It also lost money last year.

Mr James said the sale of the engineering [redacted] also opened the [redacted] for Dan-Air [redacted] hold meaningful [redacted] with potential new partners.

The agreement is subject to adjustment based on a post-completion audit to determine whether net assets on completion are higher or lower than £20.6m – the estimated net asset value of the division at the end of August.

Dan-Air will remain responsible for the division's trade debts and creditors, which are expected to show a negative balance, Mr James said.

Under the terms of the agreement, FLS has paid Davies & Newman £15m on signature with the balance due on completion.

The acquisition will enable FLS to expand substantially its existing aircraft maintenance operations in the UK.

Mr James said FLS had the financial resources [redacted] develop the Dan-Air engineering business in a way which would not have been practical for Davies & Newman.

Debt-burdened VPI goes into hands of receiver

By Maggie Urry

VPI GROUP, the public relations company, has gone into administrative receivership "largely [redacted] of the [redacted] of indebtedness", [redacted] Waterhouse, [redacted] receiver, [redacted] yesterday.

However, [redacted] hoped [redacted] the underlying business, Valin Pollen, [redacted] concern and there had already been expressions of interest.

Mr Howard Lee, chief executive of Valin Pollen, [redacted] subsidiary [redacted] profitable in spite [redacted] market [redacted] for public [redacted] companies. [redacted] expected "a swift transition to new ownership".

The subsidiary had [redacted] under the burden of [redacted] by [redacted] collapse [redacted] VPI's US subsidiary.

VPI's problems stemmed from [redacted] disastrous acquisition [redacted] Carter Organisation, [redacted] US investor relations firm, in 1987, for a total price of up to £71.4m.

Mr Donald Carter, former head of Carter Organisation, was last year sentenced to up [redacted] four years in jail when found guilty of grand larceny and income tax evasion.

[redacted] VPI [redacted] private through [redacted] bid from Tranwood [redacted] Fund, which put [redacted] into VPI. This fund [redacted] managed by Tranwood Earl, the corporate finance subsidiary of Tranwood, [redacted] financial services group. [redacted] shares [redacted] ½p [redacted] yesterday.

DIVIDENDS ANNOUNCED

		Current payment	[redacted] of [redacted]	Corresponding dividend	Total for [redacted]	Total last year
[redacted]	int	nil	-	1.9	-	1.9
[redacted]	fin	1.1	Apr [redacted]	1*	1.7	1.47*
[redacted] Tech	int	††	Feb 2	3	-	9
M&G Dual	fin	36.9	Feb 25	28.6	66.3	51.8
Neotronics	fin	1.6	Feb 28	1.2	2.4	1.8
[redacted] Hldgs.	int	[redacted]	Mar 28	[redacted]	-	6.775
Pepe §	int	2.5	Apr 6	[redacted]	-	[redacted]
PWS	fin	[redacted]	Apr 8	1.5	3.5	2.5
Savills	int	nil	-	1.125	-	3.75
SEP Industrial	fin	0.6☆	-	0.6	1.04	1
TSB	fin	3.25	Apr 2	2.95	6.4	5.8

[redacted] pence per [redacted] net [redacted] where otherwise stated. *Equivalent after allowing for scrip [redacted] capital increased by rights and/or acquisition [redacted] §USM [redacted] ☆Scrip [redacted]

Retail slowdown and expansion costs hit Pepe

By Michiyo Nakamoto

The downturn in [redacted] UK [redacted] industry and [redacted] high price of a rapid expansion programme overseas took their toll on Pepe Group, the UK's second largest jeans and leisure wear company, which suffered a near-halving of interim profits.

Profits in the six months to September 30 fell by 46 per cent from £6.64m to £3.57m, in spite [redacted] 26 per [redacted] rise in turnover from [redacted] £81.31m.

Earnings per share declined from 14.7p [redacted] 7.9p. The company plans to maintain the dividend [redacted] 2.5p. Pepe's shares were unchanged at 83p.

Mr Joe Sinyor, chief [redacted]tive, said the continuing slowdown in the UK had been [redacted] key factor behind the profits decline. Domestic sales in the first half [redacted] by [redacted] per cent.

The company was also disappointed by poor returns from some overseas markets, while the high costs of starting up in new markets continued to [redacted] margins.

Scandinavian [redacted] proved particularly [redacted] and last [redacted] the company closed its Finnish business after just over a year in operation. It is reviewing its Swedish operation.

The company for[redacted] "no improvement in the [redacted] in the second half."

هكذا من الأصل

UK COMPANY NEWS

Reshaped Beaverco in profit

By Andrew Bolger

[redacted] the USM-quoted consumer and industrial products manufacturer, yesterday reported a return to profit; but [redacted] interim [redacted] was passed in the [redacted] of last year's discovery of losses [redacted] its [redacted] Sculpture subsidiary.

Mr [redacted] Lees, chairman, who owns 50.1 per cent of the equity, [redacted] the problems at Body Sculpture, a gymnasium equipment importer, had brought forward disposal plans. The [redacted] had been completely restructured in the [redacted] six months [redacted] the disposal of 16 loss-making companies.

Beaverco [redacted] sold its [redacted] fabric and filtration [redacted] and intends to focus on garden furniture and leisure, nursery products and environmental management.

Pre-tax profits were [redacted] for the six months to September 30, against a loss [redacted] £49,000 previously. Earnings per share were 1.5p (0.2p loss).

Mr [redacted] all the businesses were now [redacted] profitably. He expected the [redacted] group [redacted] have turnover of about [redacted] this year, against £53m.

Although [redacted] not [redacted] more disposals, [redacted] proceeds [redacted] restructuring – [redacted] the [redacted] of properties – would [redacted] ther [redacted] gearing, currently [redacted] 100 [redacted]

An extraordinary item of £823,000 [redacted] associated with disposals of the loss-making companies, including Body Sculpture where a mis-[redacted] of [redacted] plunged the group into the red [redacted] year and [redacted] the share price [redacted] plunge. The shares were unchanged at 43p yesterday.

Mr Lees said Beaverco had taken legal advice and commissioned an independent audit into the situation at Body Sculpture, which he estimated had cost the group about £4.5m.

Beaverco intends to change its name to reflect its new focus and will also change its year-end to June 30.

Targets in sight for electricity companies

By Juliet Sychrava

FOUR MORE of the 12 regional electricity companies privatised last month have announced [redacted] for the six months to September 30 1990. Yesterday all [redacted] they expected [redacted] the full-year forecasts made in their privatisation prospectuses.

However, [redacted] their supply businesses have heavy fixed costs, in [redacted] shape of [redacted] option fees they pay upfront on their electricity purchasing contracts, lower first-half [redacted] volumes can result in a first-half loss, especially in the current cost accounts where the depreciation charge is high.

● Eastern Electricity reported a pre-tax historical [redacted] profit of £36.3m, against a forecast for the full [redacted] £112.4m. Current cost pre-tax profit was £8.2m, and turnover was £749.2m.

Post-tax historical cost profit was £27.9m, compared with a [redacted] of £200,000 on a [redacted] cost basis. [redacted] confident it [redacted] target historical cost post-tax profit of [redacted] for [redacted] year. It [redacted] expected to pay [redacted] forecast [redacted] of 10.12p.

"We [redacted] convinced we'll make [redacted] forecast, but of [redacted] hope [redacted] improve [redacted] it," [redacted] Leveritt, finance director.

The pro forma post-[redacted] historical cost profit was £16.4m, with current [redacted] accounting converting [redacted] to losses of [redacted]. These figures repr[redacted] pro forma earnings of 6.1p per share and losses of 2.6p respectively.

● [redacted] reported a pre-tax historical [redacted] profit of £18.7m, compared with a forecast for the [redacted] of [redacted] a current cost basis, pre-tax profit [redacted] £5.1m. Turnover totalled £379m.

Post-tax profit was £15.3m on a historical cost, and £1.7m on a [redacted] cost, basis. The [redacted] forma post-tax profit was £10.4m (historical cost) and £800,000 (current cost) – the equivalent of pro forma earnings per share of 10.4p and 0.7p respectively.

The result was, the company said, in line with its expectations, and it reconfirmed its commitment to the 11.2p dividend [redacted] in the prospectus. Manweb typically expects to earn about 75 per cent of its profit [redacted] half of [redacted] year.

[redacted] per [redacted] of [redacted] would be made in the first half, said Mr John Roberts, finance director, [redacted] because costs are fixed, the impact of the increase in volume on the bottom line is considerable.

Underlying sales growth was, he said, encouraging. "We expected growth to be less than 1 per cent, but it is closer to 1 per cent than we anticipated."

● Midlands Electricity [redacted] pre-tax historical cost profit of £18.3m, on a turnover [redacted] £564.6m. The result [redacted] the [redacted] on course [redacted] of [redacted] profit for [redacted] full [redacted] The company made a current cost [redacted] before tax of £5.1m.

Post-tax historical cost profit was £14.3m (and pro forma £7.7m). This compares with a current cost loss of £9.1m (pro forma £13m). Pro forma historical cost earnings were 3.7p per share and current cost losses were 6.2p per share.

Midlands confirmed that it expected to recommend a final dividend of 10.5p.

The company expects about 60 per cent of its sales in the last half of the year, said Mr Bryan Townsend, chairman and chief executive. Both commercial and domestic sales volumes were holding up well, he said. Although the recession – specially in the construction industry – had depressed industrial sales as forecast, this had happened more slowly than expected.

● South Wales Electricity reported pre-tax historical cost profits of £14.2m for the half year, and a current cost profit before tax of £2.8m. Turnover was £258.1m.

Post-tax historical cost profit was £10.5m, compared with a current cost loss of £900,000. South Wales was confident it would meet its full-year forecast of a historical cost profit before tax of £45.9m.

Pro forma post-tax profits on an historical cost basis were £9.4m, leading to earnings of 9.3p, while current cost accounting gives post-tax losses of £1.4m and losses of 1.4p per share.

"We are comfortably ahead of where we expected to be at this time of the year," said Mr David Myring, finance director. However, he added, the privatisation prospectus forecast had to allow for a downside that could still occur in the winter period. About 55 per cent of company sales are made in the second half of the year.

South Wales announced that it expected to pay both an interim and a final dividend in future years, although this year it would pay a single dividend, like all the 12 regional companies. It made no explicit commitment to the dividend figure in the prospectus.

Clockwise from top left: Bryan Weston, James Smith, Bryan Townsend and Wynford Evans, chairmen of Manweb, Eastern, Midlands and South Wales respectively

UK COMPANY NEWS

Hobson's choice for Saatchi's shareholders

Alice Rawsthorn on [illegible] rescue package which has no apparent advantages for anyone

WHEN A company unveils a reconstruction package it [illegible]ally includes some [illegible]vantage somewhere for [illegible] least one class of investor. The salient feature of the reconstruction proposals announced by Saatchi & Saatchi yesterday is that there is no apparent advantage for anyone.

Under the proposals Saatchi's ordinary shareholders, who have already [illegible] their shares collapse, face heavy dilution. The Europreference holders, who [illegible] stood [illegible] gain £211m [illegible] July [illegible], and UK preference [illegible] will end up with a mixture of [illegible] ordinary [illegible] and preference shares without any real hope of receiving a dividend from either for at least three years.

Why then [illegible] Saatchi sprung [illegible]h an apparently unpalatable package on its shareholders? And how, given that it [illegible] the their [illegible] to implement the package, does it propose to persuade those shareholders to agree?

The answer to both questions, according to Mr Robert Louis-Dreyfus, group chief executive, is that neither Saatchi, nor its shareholders, have a choice.

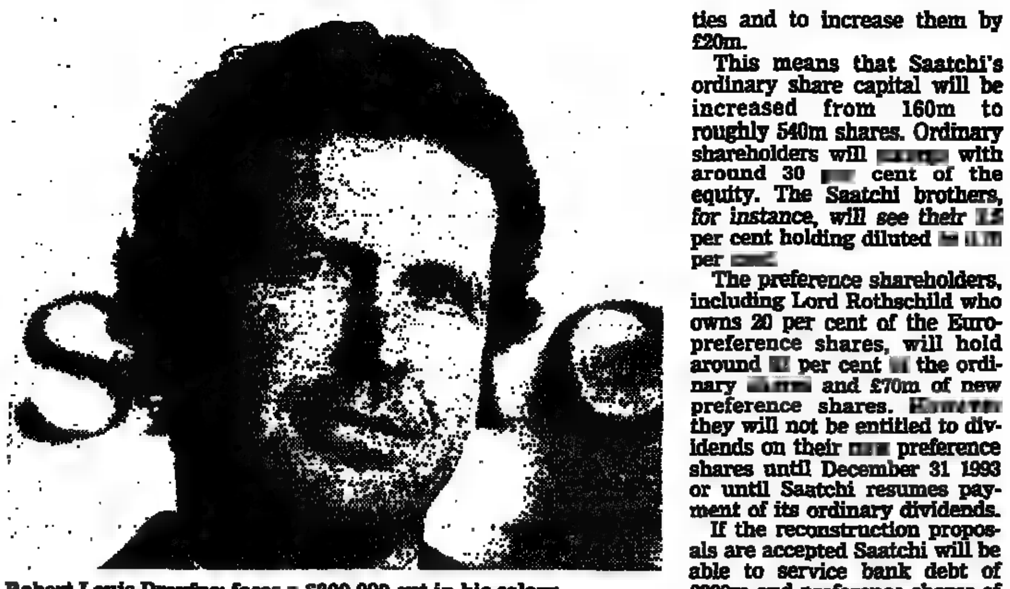
If the reconstruction package is accepted the company can look forward to a financially stable future for the first time in nearly two years. If it is rejected, Saatchi & Saatchi, once one of the stars of the UK stock market, will almost certainly go bust.

The story behind the reconstruction starts in the early 1980s when the Saatchi [illegible] – aided and abetted by Mr Martin Sorrell, their former finance director who now runs Saatchi's arch rival the WPP Group – began the series of audacious acquisitions which turned Saatchi from a London advertising [illegible] into one of the world's largest marketing services groups.

The problem [illegible] that the combination of all the advertising acquisitions and [illegible] ill-con[illegible] [illegible] into management consulting [illegible] Saatchi with [illegible] debts and potentially [illegible] liabili[illegible]. In short, the burden [illegible] [illegible] financial [illegible] threatened to drag down the whole group.

If Saatchi is to survive it must dismantle that structure. The trickiest problem of all [illegible] its puttable Europreference share issue. When the issue was launched by SG Warburg, the London merchant bank, in June [illegible] [illegible] [illegible] hailed as a feat of fashionable financial engineering. The bond holders invested £177m in Saatchi in return for a promise of getting their money back with a 19.7 per cent bonus – making a total of £211m – on July 15 1993, *if* Saatchi's share price was lower than 441p on that date.

At the time neither Saatchi nor Warburg could conceive of [illegible] [illegible] falling [illegible] low. [illegible] [illegible] [illegible] turned [illegible] [illegible] [illegible] inconceivable [illegible] [illegible] [illegible] will be as high as 441p. Hence Saatchi, which [illegible] [illegible] lumbered with £200m of bank debt, [illegible] [illegible] [illegible] [illegible] to [illegible] the £211m in July 1993, [illegible] would it [illegible] [illegible] to [illegible] [illegible] banking facilities when they expired six months [illegible].


Robert Louis-Dreyfus: faces [illegible] £200,000 cut in his salary

Saatchi [illegible] [illegible] reconstruction [illegible] a [illegible] ditch attempt to [illegible] catastrophe in [illegible]. These are the proposals:

- the holders of 174m Europreference shares will receive three new preference shares and 16 new ordinary shares for every ten shares held.
- the holders of 100m UK preference shares are offered five new preference shares and 12 new ordinary shares for every 20 of their shares.
- Donaldson Lufkin & Jenerette, one of Saatchi's advisers on the reconstruction, will provide £20m in subordinated debt in return for a commitment fee of £350,000 and warrants for at least 4 per cent of the enlarged share capital.
- Mr Louis-Dreyfus will [illegible] £5m of [illegible] equity – up to 4 per cent of the enlarged [illegible]uity – to be [illegible] [illegible] to employees.
- [illegible] £10m [illegible] offer for [illegible] [illegible] shareholders [illegible] enable them [illegible] [illegible] [illegible] [illegible] same basis as employees.
- [illegible] will ask its 19-strong banking syndicate [illegible] extend [illegible] banking facilities and to increase them by £20m.

This means that Saatchi's ordinary share capital will be increased from 160m to roughly 540m shares. Ordinary shareholders will [illegible] with around 30 [illegible] cent of the equity. The Saatchi brothers, for instance, will see their [illegible] per cent holding diluted [illegible] [illegible] per [illegible].

The preference shareholders, including Lord Rothschild who owns 20 per cent of the Europreference shares, will hold around [illegible] per cent [illegible] the ordinary [illegible] and £70m of new preference shares. [illegible] they will not be entitled to dividends on their [illegible] preference shares until December 31 1993 or until Saatchi resumes payment of its ordinary dividends.

If the reconstruction proposals are accepted Saatchi will be able to service bank debt of £200m and preference shares of £70m. This means, said Mr Charles Scott, finance director, it will finally have a secure and stable financial structure.

But if the worst comes to the worst and the proposals [illegible] rejected the [illegible] empire would probably [illegible] broken up in preparation for the time when [illegible] banking [illegible] come to an end in January 1993.

In the meantime Mr Louis-Dreyfus – struggling yesterday with both a broken leg and the knowledge that his salary has been cut from the £500,000 promised in his contract to £300,000 – has been left to "carry on running the business as best I can".

NEWS DIGEST

Neotronics ahead 45% to £2.71m

NEOTRONICS Technology, the Hertfordshire-based gas monitoring instrument group, lifted taxable profits by 45 per cent in the year to September 30.

The outcome – £2.71m against £1.87m – was struck after an exceptional charge of £240,000 mainly representing severance and other costs of [illegible] group's management restructuring.

Turnover expanded 21 per cent to £15.56m (£12.82m). Earnings per 5p share emerged at 6.98p (4.71p) and a proposed final dividend of 1.6p lifts the total for the year to 2.4p (1.8p).

Abbey returns to the black with I£67,000

Abbey, the Dublin-based housebuilding company with operations mainly in southern England, returned to profit in the six months to October 30 with I£67,000 (£61,500).

This compared with I£427,000 profit in the previous first half and a loss of I£15.84m in the year to April 30.

Turnover [illegible] lower [illegible] I£28.16m (I£40.56m).

Cassidy Brothers back in profit

Cassidy Brothers, [illegible] USM-quoted toy manufacturer, bounced back into the black in the half year to [illegible] 31, [illegible]lowing [illegible] heavy loss in the [illegible]ceding [illegible] months.

With turnover 47 per cent higher at £3.59m, pre-tax profits jumped to £458,154, compared with £25,039 for the corresponding period of 1989, and a £336,710 loss for the second half of that year.

[illegible] [illegible] of [illegible] [illegible] first-half earnings per 10p [illegible] were 4.77p (0.35p).

M&G Dual Trust improves to £3.81m

[illegible] [illegible] [illegible] M&G Dual Trust improved from £2.98m to £3.81m for the 1990 year, equal to earnings of 66.33p against [illegible] [illegible] [illegible] share.

[illegible] revenue totalled £5.09m (£3.97m) and the tax charge £1.27m (£993,470). Asset value per capital share stood at £19.80 (£23.84). A recommended final dividend of [illegible] per income share makes a [illegible] (51.8p) total.

SelecTV recovers with £85,000

SelecTV, the USM-quoted production company, reported a turnround for the half year to September 30 with pre-tax profits of £85,227 compared with a loss of £182,988.

Turnover jumped to £4.28m (£13,148). [illegible] per share amounted [illegible] 0.13p (0.28p [illegible].

Trans World expects £0.6m loss

[illegible] World Communications, the USM-quoted independent radio station operator and organiser of Miss World, announced that it expected a pre-tax loss of about £600,000 for the second half.

Its shares fell 2p to 87p.

Difficult trading leaves SEP lower

Pre-tax profits at [illegible] Industrial Holdings fell [illegible] per cent from [illegible] [illegible] £2.33m in the year to [illegible]-September.

Turnover for this USM-quoted distribution, manufacturing and [illegible] group [illegible] 17 per [illegible] [illegible] [illegible] [illegible] £49.65m.

Earnings per share came out [illegible] [illegible] (3.8p) and the recom[illegible] final dividend [illegible] unchanged [illegible] [illegible] for a [illegible] [illegible] 1.04p (1p).

Sidney C Banks dips to £1.14m

[illegible] profits of Sidney C Banks, the grain and agricultural merchant, fell from £1.23m to £1.14m in the six months to October 31.

Turnover expanded 33 [illegible] [illegible] to [illegible] (£74.15m).

A maintained [illegible] dividend [illegible] 2.5p [illegible] payable from earnings [illegible] 10p (11.6p) [illegible] [illegible].

PWS ahead in spite of redundancy [illegible]

In spite of a £400,000 exceptional charge for redundancies, PWS Holdings, the Lloyd's reinsurance broking group, reported pre-tax profits 42 [illegible] [illegible] higher [illegible] [illegible] in [illegible] year [illegible] September 30, against £1.62m.

Total income was lower at £17.77m (£17.98m) but trading expenses and interest payable fell to £14.15m (£14.91m) and £944,000 (£1.4m). Earnings [illegible] share were 8.2p (6.1p) and [illegible] final dividend of 2.2p is proposed for [illegible] total of 3.5p (2.5p).

Savills incurs £433,000 [illegible]

Savills, the estate agency and surveyor, swung from profits of £2.94m to losses of £433,000 pre-tax for the half-[illegible] ended [illegible] 31. Turnover fell [illegible] to £14.64m.

[illegible] [illegible] share emerged [illegible] 0.8p (earnings 5.2p) and [illegible] interim dividend is being passed – 1.125p was paid previously. The shares slipped 5p to 41p.

Bespak lifts profits 11% to £2.04m

Bespak, maker of specialised [illegible] and [illegible] engineering components [illegible] [illegible] pharma[illegible] industry, lifted pre-tax profits [illegible] [illegible] [illegible] months [illegible] November 2 by 11 [illegible] cent from £1.83m [illegible] [illegible].

[illegible] rose to [illegible] (£11.25m). [illegible] interim [illegible] is raised to 3p (2.6p) from earn[illegible] [illegible] [illegible] [illegible] 10.1p (9p).

Alexanders Holdings advances to £1.9m

In spite of difficult trading conditions in the second half pre-tax profits at Alexanders Holdings, the Glasgow-based Ford main dealer, advanced from £1.8m to a record £1.9m in the year to September 30.

Turnover rose from £80.35m to £92.72m [illegible] after [illegible] [illegible] [illegible] (£357,000) earnings came through unchanged [illegible] 3.56p per share. The dividend is maintained at 1p.

Midlands Electricity plc

INTERIM RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 1990

Welcome to our new shareholders.

THE STATEMENT BY THE CHAIRMAN, BRYAN TOWNSEND.

Following the successful flotation of Midlands Electricity in December 1990, I am delighted to welcome our [illegible] shareholders – approximately 800,000 at the start of dealing. I [illegible] particularly pleased that so many of our customers became shareholders and hope that they will show continued confidence in our future prospects by remaining as long term investors.

The unaudited results for the half year ended 30 *September* [illegible] *are shown below.* They [illegible] as expected and [illegible] consistent with the profit forecast for the full year set out in the prospectus for the Regional Electricity Companies share offers. The reported first half results reflect the seasonality of the business. Sales of electricity [illegible] obviously affected by weather conditions and the majority of our sales, and profits, occur during the winter months in the second half of the financial year.

The Directors [illegible] confident that the Company is [illegible] target to achieve its forecast of a pre-tax profit on ordinary activities, on [illegible] historical cost basis, of [illegible] least £91.9m (£79.0m pro forma) and, on a current cost basis, of [illegible] least £47.5m (£36.7m pro forma) for the financial year ending 31 March 1991.

Since Midlands Electricity transferred into the private sector part way through the current financial year, the Directors will not [illegible] recommending [illegible] interim dividend but instead expect to recommend a single dividend in respect of the year of 10.5p net per ordinary share, payable in October 1991, as forecast in the prospectus.

Midlands Electricity approaches the future with confidence and enthusiasm. The Directors will seek strategically sensible opportunities to expand the business and the recently announced link with H Leverton to develop jointly the UK market for packaged combined heat and power plants is a modest but representative step in that direction.

The Board and Management team represents [illegible] strong blend of public and private sector experience which is supported by [illegible] well-trained workforce. The Directors believe that there [illegible] good prospects for the profitable development of the Company's business.

RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 1990

	Historical Cost (unaudited) £m	Current Cost (unaudited) £m
TURNOVER	564.6	[illegible]
Operating Profit/(Loss)	14.9	(8.5)
Dividend receivable from The National Grid Holding plc	4.3	4.3
Net interest payable	(0.9)	(0.9)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	18.3	(5.1)
Taxation (Note 3)	(4.0)	(4.0)
PROFIT/(LOSS) [illegible] ORDINARY ACTIVITIES AFTER TAXATION	14.3	(9.1)
Extraordinary Items (Note 4)	(4.4)	(4.4)
PROFIT/(LOSS) ATTRIBUTABLE TO SHAREHOLDERS	[illegible]	(13.5)

NOTES TO THE RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 1990

1. [illegible] OF [illegible]
The unaudited interim [illegible] for [illegible] half year [illegible] [illegible] September [illegible] for Midlands Electricity plc have been prepared [illegible] the basis of the accounting policies adopted for [illegible] year ended 31 March 1990, together with the additional accounting policies [illegible] [illegible] in [illegible] prospectus [illegible] 21 November 1990 containing Listing Particulars of Midlands Electricity plc.

Results for the half year [illegible] [illegible] *September* [illegible] [illegible] [illegible] been presented. The Directors believe that comparison with this prior period would not [illegible] meaningful in view of changes during the current [illegible] in the commercial [illegible] contractual [illegible] of [illegible] Company and in [illegible] capital [illegible] and regulatory system

The financial information contained in this interim [illegible] does not amount [illegible] [illegible]tory [illegible] *within the meaning of Section* [illegible] [illegible] the Companies Act [illegible].

[illegible] PRO FORMA EARNINGS
The [illegible] forma earnings attributable to shareholders [illegible] out [illegible] [illegible] been calculated on [illegible] basis that [illegible] new capital [illegible] for Midlands Electricity plc established on 22 October 1990 had in [illegible] [illegible] in place since 1 April [illegible].

	Historical Cost	Current Cost
[illegible] forma profit/(loss) on ordinary activities [illegible] taxation	£7.7m	(£13.0m)
Pro forma earnings/(loss) per ordinary [illegible]	3.7p	(6.2p)

Pro forma earnings per ordinary [illegible] [illegible] [illegible] calculated by dividing pro forma profit (loss) after taxation by [illegible] ordinary shares [illegible] if they [illegible] been in issue since 1 April 1990.

Pro forma profit [illegible] attributable [illegible] share[illegible] [illegible] [illegible] calculated by increasing [illegible] charges by £8.3m, by substituting [illegible] pro forma taxation charge of £2.3m and, for [illegible] *current* [illegible] [illegible] *only, by reducing* [illegible] [illegible] by [illegible] gearing adjustment of £2.7m.

Actual earnings [illegible] ordinary [illegible] have [illegible] [illegible] presented: the number [illegible] shares in issue during [illegible] half [illegible] [illegible] 30 September [illegible] and [illegible] actual profits for [illegible] period are not considered [illegible] be representative [illegible] [illegible] company's position following implementation of the [illegible] capital structure.

[illegible] TAXATION
Taxation for the half year [illegible] 30 September [illegible] [illegible] [illegible] provided on the [illegible] of [illegible] [illegible] effective [illegible] rate, with [illegible] exception of taxation in respect of [illegible] dividend receivable from The National Grid Holding plc: [illegible] [illegible] included in the taxation charge [illegible] [illegible] rate [illegible] [illegible] [illegible] the aggregate [illegible] the interim dividend [illegible] [illegible] [illegible] tax credit attaching thereto.

4. EXTRAORDINARY ITEMS
Extraordinary [illegible] comprise privatisation and restructuring [illegible] in [illegible] half year [illegible] [illegible] September [illegible].

MEB
Midlands Electricity plc

For [illegible] copy of [illegible] Interim Results [illegible] Shareholder enquiries ring [illegible] 423 2999, Midlands Electricity plc, [illegible] Hill, Halesowen, [illegible] Midlands, B62 8BP

هكذا من الأصل

London Metal Exchange aims for further growth

By Kenneth Gooding, Mining Correspondent

AFTER RECORDING [illegible] per cent [illegible] in turnover last year, the London Metal Exchange yesterday announced important [illegible] designed to ensure further growth. The terms of the LME's [illegible], aluminium [illegible] zinc contracts are [illegible] be widened [illegible] allow deals [illegible] struck for up to 27 months ahead and [illegible] exchange will [illegible] in which contracts can be traded [illegible] include Deutsche Marks and Japanese yen.

The LME already dominates world terminal [illegible] in [illegible] metals and [illegible] changes should enable it [illegible] its share [illegible] currently [illegible] off the exchange.

At present LME [illegible] stretch [illegible] maximum [illegible] 15 months. Mr [illegible] Abbott, the exchange's [illegible] of marketing, said that much [illegible] the [illegible] producers' risk beyond 15 months is currently being borne by [illegible] that the changes would enable them [illegible] lay off that risk.

By hedging [illegible] the LME, brokers would have [illegible] comfort of operating [illegible] clearing and guarantee [illegible] of the International Commodities Clearing [illegible].

Judged by [illegible] turnover, [illegible] LME had [illegible] very successful [illegible] in [illegible] Total futures [illegible] options [illegible] by 32 per [illegible] from [illegible] 1989 [illegible] to [illegible] from 10.08m. (A [illegible] the minimum amount of [illegible] commodity in which [illegible] deal.)

However, the exchange estimates that in money terms its [illegible] fell by nearly 10 [illegible] cent, from $665bn to [illegible] mainly reflecting lower metal prices in 1990 compared with the previous year.

Turnover increases [illegible] (per cent)		
contract	[illegible]	options
copper	27.93	[illegible]
aluminium	38.42	[illegible]
zinc	7.77	102.16
lead	5.86	[illegible]
nickel	[illegible]	[illegible]
tin	[illegible]	
all [illegible]	28.57	181.04

Also the number of ring dealing members [illegible] sharply last year – by four to 16 – amid complaints that [illegible] were too high and commissions too low. Two of the trading houses that withdrew from the ring last year did so in special circumstances: Drexel Burnham Lambert because its US parent [illegible] bankrupt, and Anglo Chemical Metals [illegible] US parent, Salomon, [illegible] slimming [illegible] international trading operations [illegible] its Philipps [illegible] subsidiary.

Entores, ultimately owned by the Imetal group of France, [illegible] Lazmet, part [illegible] Trans-World Metals, [illegible] stopped ring trading.

Mr John Wolff, chairman of the LME, suggested this was all part of a "fewer but stronger" trend noticeable in many industrial sectors and which had [illegible] going on for several years. "It [illegible] much [illegible] have [illegible] strong [illegible] than 25 if some of the 25 are shaky."

[illegible] Abbott insisted that there were enough counterparties around the ring [illegible] ensure lively trading and enough business to support those members.

The LME [illegible] announced yesterday that MetChin, part of the Hofibel copper refining group, had been accepted as a new [illegible] dealing member.

The exchange said that from June 1 [illegible] for [illegible], [illegible] and zinc, the three [illegible] heavily-traded metals, could [illegible] up [illegible] months [illegible] of the current 15 months. Those for nickel, lead and tin [illegible] unchanged. Options trading [illegible] remained linked with the 15-month period for all metals.

Some members [illegible] been [illegible] for aluminium [illegible] up [illegible] 39 months forward and for the other metals [illegible] out [illegible] 27 months [illegible] exchange [illegible] obviously taking one step [illegible] a [illegible] into the unknown. If there is enough liquidity, further changes would probably [illegible].

Also from June [illegible] cleared [illegible] in Deutsch Marks and Japa[illegible] currently used: [illegible] dollar [illegible] pound sterling. However, [illegible] and pounds will continue [illegible] be the [illegible] currencies quoted in ring dealing sessions. It is from these [illegible] that the [illegible] prices – used [illegible] points [illegible] the [illegible] majority [illegible] metals contracts signed around [illegible] world – are [illegible].

Colombian coffee exports at record level

By Sarita Kendall in Bogota

COLOMBIA'S [illegible] coffee exports reached a record figure [illegible] 13.9m [illegible] each), more than offsetting the drop in world prices caused by the suspension of [illegible] International Coffee Agreement's export quota system. Forecasts for 1991, [illegible] on a [illegible] production figure of 14m bags, [illegible] that the country, the second biggest [illegible] after Brazil, will [illegible] able to keep exports [illegible] 13m [illegible] and maintain earnings [illegible] to the traditional level of [illegible] to $1.5bn [illegible] year.

However, Colombia reduced its [illegible] by well [illegible] 1m [illegible] during [illegible], finishing the [illegible] with about [illegible] bags.

The first few months of the 1990-91 coffee harvest have [illegible] encouraging, but with a [illegible] consumption [illegible] ing about [illegible] exporters will have to continue drawing [illegible] coffee [illegible] maintain [illegible] of foreign sales.

Thanks [illegible] the [illegible] strength of the National [illegible] Fund the real price paid [illegible] has remained steady. [illegible] the fund – built up in more prosperous times – [illegible] lost nearly $200m in the [illegible] year.

The coffee [illegible] are concerned that [illegible] growers' price should keep up [illegible] inflation so that [illegible] of fertiliser and [illegible] inputs [illegible] At [illegible] same, the government's anti-inflation drive [illegible] aiming to keep as much money out of circulation [illegible] possible.

Provided [illegible] remains profitable and there [illegible] no climactic disasters, production [illegible] expected [illegible] about 16m bags in [illegible] years. [illegible] improvements to plantations, [illegible] introduction of new rust-resistant [illegible] and denser planting [illegible] higher yields. Although [illegible] are relatively high compared [illegible] countries the premium paid for quality Colombian coffee [illegible] compensated for this, says Mr Roberto Jun[illegible] of [illegible] Association of Pri[illegible] Exporters, allowing [illegible] country [illegible] weather the quota-free period very successfully.

Coffee now [illegible] less than [illegible] third of [illegible], and the 1990 earnings figure of $1410m [illegible] only slightly up on 1989, a relatively poor year. The Coffee [illegible] Federation's aggressive marketing policies have been helped by export opportunities in eastern Europe, [illegible] as Brazil's poor [illegible]. But [illegible] outlook for 1991 is [illegible] by the impact of higher oil prices and signs of recession in consuming countries, the federation warns.

Demand picks up at wool sales

By Kevin Brown in Sydney

THE AUSTRALIAN Wool Corporation, the national marketing organisation, sold [illegible] cent of wool offered for sale at auctions yesterday, raising hopes that [illegible] two year slump in demand [illegible] coming to an [illegible].

The corporation said the [illegible] a trend which [illegible] on Tuesday at the first auctions [illegible] the New Year, when buyers purchased [illegible] per cent [illegible] wool offered in Sydney, and 74 per [illegible].

The [illegible] mark [illegible] strong [illegible] from the [illegible] half [illegible], when the corporation was able to sell an average of only 41 per cent of wool offered [illegible] sale.

However, the increased demand had little effect on the [illegible] price, which moved [illegible] by [illegible] A$7.03, 8 [illegible] the floor price that triggers intervention [illegible] the corporation for stockpiling.

Mr Vincent Matthews, a [illegible] corporation official, said the increased demand was largely caused by the return to the market of buyers of fine apparel wool for the Japanese textile industry.

Mr Matthews said the Japanese had re-entered the market because of a run-down in stocks held in Japan. Buyers also seemed to have accepted assurances from the Australian government that the floor price would not be allowed to fall below A$7.

The Soviet Union, a major purchaser of Australian wool until last April, has repaid A$88m in debts relating to wool delivered last year, but has not yet re-entered the market.

A Soviet delegation is expected to visit Australia at the end of next week to open negotiations on terms for a return to the market for wool and other commodities with the aid of a A$400m line of credit from the Australian government.

"We expected that the amount of wool we have to buy-in would fall to below 30 per cent in the first week of the New Year, and it is very encouraging that it has turned out that way," said Mr Matthews.

"If we can maintain the buying-in rate below 30 per cent that would be in line with the corporation's business plan, and would allow us to keep within our borrowing limit of A$2.5bn set by the government.

"Next week's sales will be very significant because they will show whether the improvement can be sustained. But we are very encouraged by this week's sales."

Australian exports of wool were worth A$5.9bn in 1988-89, but declined to A$3.8bn last year and are expected to fall to A$2.7bn this year, according to the Australian Bureau of Agricultural and Resource Economics. The wool corporation has built up a stock of 4.4m bales of bought-in wool following the slump in demand, which coincided with soaring production. The industry recently imposed quotas and announced plans to shoot up to 20m sheep to help reduce production.

● Mr John Kerin, Primary Industries Minister, yesterday called in the Saudi ambassador to Australia to warn that live sheep exports to Saudi Arabia might have to be stopped unless a quarantine and veterinary agreement was reached.

Mr Kerin said he had told the ambassador: "I do not see how the live sheep trade from Australia can be allowed to continue" in the absence of an agreement.

His action reflects growing concern among ministers over the future of the live sheep trade, which has been repeatedly disrupted over the last two years by the rejection of shipments on health grounds.

California's white Christmas nightmare

The yule-tide freeze may cost growers $1bn, writes Louise Kehoe

A CALIFORNIAN [illegible] Christmas dream turned into [illegible] New Year's nightmare for [illegible] state's fruit and vegetable growers [illegible] holiday [illegible], when record [illegible] temperatures and heavy [illegible] caused [illegible]spread damage [illegible] fruit and vege[illegible] crops.

The state's agricultural industries [illegible] expected to suf[illegible] of over [illegible] this year because [illegible] according [illegible] economists. Of even greater concern in [illegible] longer [illegible] the chilling [illegible] this winter weather [illegible] have [illegible] growth in the state's $17.5bn agricultural industry, which [illegible] already threatened by [illegible] four year drought.

Citrus groves suffered [illegible] most damage. Preliminary esti[illegible] are [illegible] of the [illegible] $700m citrus crop [illegible] have been destroyed by the frigid temperatures, according to the California Department of Food and Agriculture.

Although about 20 [illegible] of the $248m navel orange crop was harvested [illegible] freeze, virtually [illegible] remaining on [illegible] damaged [illegible] much [illegible] it destroyed, wiping out the [illegible] primary domestic [illegible] of [illegible]. [illegible] navel orange crop [illegible] mainly as fresh fruit. Only [illegible] portion [illegible] be [illegible] by processing [illegible] the juice is bitter and there are only a limited number of processing facilities in California. The bulk of US juice oranges are grown in Florida.

An estimated 25 per cent of the state's $190m lemon crop has also been destroyed. Lemons are particularly susceptible to frost because they contain less sugar, which acts as an anti-freeze in most [illegible]. Tangerines were also damaged but [illegible] grapefruit [illegible] have been spared, according to [illegible] California [illegible] Federation.

About 20 per [illegible] of [illegible] state's avocados also have been damaged, according to initial reports. However, the California Avocado Commission said the total crop, valued at $200m last year, has grown and shortages are unlikely.

The freeze has not, however, affected some of California's biggest agricultural industries – grapes, nuts, and summer fruits, which are unaffected by cold winter temperatures.

Indeed, the record low temperatures will help to eradicate insects that attack these crops, according to state officials.

The immediate impact of the freeze has been a dramatic rise in fruit and vegetable prices. Oranges that sold for less than 60 cents a lb in Californian grocery stores before the freeze have doubled in price. Green vegetables have become scarce and very expensive. Broccoli, for example, has jumped from around 70 cents a bunch to $1.30.

Growers who have already written off their current crops are, however, anxiously monitoring the health of frost-bitten fruit trees. A major focus of concern is [illegible] 1991 valencia orange crop. Although [illegible] fruit will not be picked until next March, growers are worried about the effect of cold on developing fruit and fruit wood. The $190 million harvest is jeopardised by the freeze which has frozen many of the tender tips of the branches where the fruit grows.

While the freeze represents one of the worst setbacks in the history of the Californian agricultural industry, it may be only a prelude of still harder times to come for the state's growers.

Faced with the prospect of a fifth successive year of drought, California's farmers are under increasing pressure to cut back on their use of water for irrigation, which currently accounts for 80 per cent of the state's water consumption.

The combined effects of a severe winter and the drought could force significant changes in California's agriculture industry, accelerating [illegible] trend toward more [illegible] management of higher-value fruit and vegetable crops, industry experts predict.

March launch for arabica coffee futures

By David Blackwell

AN ARABICA coffee contract is to be launched on screen by the London Futures and Options Exchange (Fox) on March 1.

At the same time, the exchange will switch trading in its existing robusta contract from sterling to dollars. New York and New Orleans will be included as tender ports for the dollar robusta contract.

The exchange has been planning an arabica coffee contract [illegible] some [illegible]. Consumption trends [illegible] increasingly favouring arabicas at the expense of robusta coffees.

New York [illegible] a thriving open outcry arabica [illegible] contract. One trader said yesterday that the switch to [illegible] trading in London robustas would make it much easier to trade the spread [illegible] arabicas and robustas.

Today sees the start of raw [illegible] trading on Fox [illegible].

Aluminium stocks near 2-year low in November

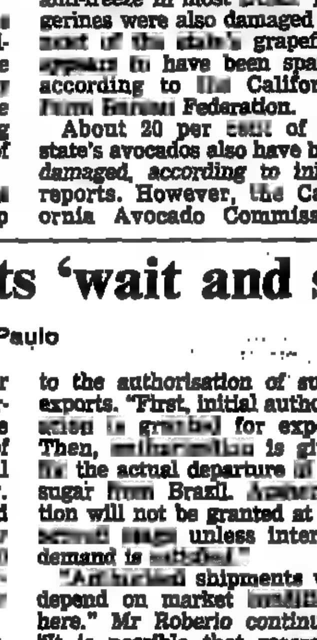
By Kenneth Gooding

ALUMINIUM [illegible] fell to their lowest level for nearly two years in November, according to the International Primary Aluminium Institute.

[illegible] figures seem [illegible] confirm [illegible] huge [illegible] in London [illegible] Exchange stocks in November – when they rose by 142,100 tonnes, the biggest increase ever recorded – was mainly caused [illegible] a technical squeeze which [illegible] the price of aluminium [illegible] immediate delivery [illegible] was [illegible] because producers were [illegible] ing [illegible] surplus.

The IPAI reported that producer stocks of the metal rose by 1,000 tonnes [illegible] tonnes. However, other stocks showed a fall of 48,000 tonnes to 1.618m tonnes [illegible] that total [illegible] were [illegible] to 3.096m tonnes.

Mr Nick [illegible], analyst at Ord Minnett, pointed out that the stocks fall was even more significant [illegible] in November IPAI members produced [illegible] a record rate of 39,430 tonnes [illegible] day, enough to generate 1.183m [illegible] of [illegible]. He thought LME stocks might now [illegible] from the present [illegible] tonnes, the highest level since the contract was launched in 1978, as consumers re-stocked.



Brazil adopts 'wait and see' sugar export policy

By Victoria Griffith in Sao Paulo

NO FURTHER Brazilian sugar [illegible] are likely to be authorised until next [illegible] the earliest, Mr Pedro Roberio of the [illegible] for Regional Development [illegible] yesterday. Earlier this week he predicted [illegible] year's total [illegible] exports [illegible] be [illegible] tonnes, although [illegible] given [illegible] 900,000 tonnes.

Mr Roberio explained yesterday [illegible] there were two [illegible] to the authorisation of sugar exports. "First, initial authoris[illegible] for export. Then, [illegible] is given [illegible] the actual departure [illegible] sugar [illegible] Brazil. [illegible] tion will not be granted at the [illegible] unless internal demand is [illegible]."

"[illegible] shipments will depend on market [illegible] here." Mr Roberio continued. "It is possible that recession will reduce [illegible] for alcohol further, thereby freeing sugar for exports." Many Brazilian cars run on alcohol derived from sugar.

[illegible] sugar traders believe [illegible] sugar exports [illegible] be as high as [illegible] tonnes this year and Mr Luiz [illegible], [illegible] of the Association [illegible] and [illegible] estimates exports [illegible] 1.1m tonnes.

■ In London, the Brazilian ambassador, Mr Paulo [illegible] Flecha de Lima, said Brazil would [illegible] be pulling out of the International Cocoa Organisation, [illegible] was suggested by [illegible] official at the Ministry of the Economy [illegible] Brasilia earlier this week. The ICCO has been moribund since 1989, when its price stabilising buffer stock buying [illegible] was suspended. [illegible], in common with other producers, had not been paying over ICCO export duties for the three preceding years.

WORLD COMMODITIES PRICES

MARKET REPORT

THE THREAT [illegible] a Gulf [illegible] pushed [illegible] gold [illegible] higher in [illegible] trading yesterday as [illegible] covered [illegible] positions following Wednesday's [illegible]. "[illegible] one [illegible] of gold [illegible] the weekend in [illegible] the situation in [illegible] deteriorates," [illegible] dealer explained. Platinum [illegible] silver prices rose in sympathy with gold, although war would probably be [illegible] for [illegible] basically industrial metals because [illegible] implications [illegible] the world economy. [illegible] London Futures [illegible] Options Exchange a [illegible] in dry cargo freight [illegible] prices was [illegible] influenced by Gulf fears, [illegible] the main reason for [illegible] sharp gains [illegible] the [illegible] Union [illegible] to lift grain [illegible] the recent granting of [illegible] export credits. The February position, which [illegible] by [illegible] points [illegible] Tuesday [illegible] points [illegible] Wednesday, [illegible] daily 50-point [illegible] 1,480. "As far [illegible] Soviets are concerned, [illegible] only just talk, nothing [illegible] confirmed," [illegible] commented. "February [illegible] go higher but [illegible] in [illegible] areas, [illegible] probably a [illegible] of buying February and selling April, but [illegible] fairly choppy."

Compiled from [illegible]

London Markets

SPOT MARKETS		
Crude oil (per [illegible])		+ or -
Dubai	[illegible]	+3.77
[illegible] Blend [illegible]	[illegible]	+3.97
[illegible] (February)	[illegible]	+3.97
W.T.I. (1 pm [illegible])	[illegible]	+5.75
[illegible] products (NWE prompt delivery per tonne CIF)		+ or -
Premium [illegible]	[illegible]	[illegible]
Gas Oil	[illegible]	[illegible]
Heavy Fuel Oil	[illegible]	+11
Naphtha	$279-284	[illegible]
Petroleum [illegible]		
Other		+ or -
Gold (per troy oz)♣	$390.25	+4.15
Silver (per troy oz)♣	413.85c	+5.35
Platinum (per troy oz)	$414.27	+1[illegible]
Palladium (per troy oz)	$87.15	[illegible]
Aluminium (free market)	$1535	
Copper (US Producer)	119.5c	-0.5
Lead (US Producer)	50c	
Nickel [illegible] market)	400c	[illegible]
Tin [illegible] Lumpur [illegible]	15.1[illegible]	[illegible]
Tin [illegible] York)	262c	-1
Zinc (US Prime Western)	70c	
Cattle (live weight)†	109.84p	+1.23*
Sheep (dead weight)†	145.74p	+3.11*
Pigs (live [illegible])	[illegible]	+1.13*
[illegible] (raw)	[illegible]	-1.0
London daily sugar (white)	$292.5z	-0.7
[illegible] Lyle export price	£223.5	-1.0
Barley [illegible]	[illegible]	-1.0
[illegible] (US [illegible] 3 [illegible])	[illegible]	+1.5
[illegible] (US Dark Northern)	£87.0	
[illegible]	50.75p	-0.25
[illegible] (Mar)♥	51.00p	-0.25
Rubber (KL RSS No 1 Jan)	236.5m	-1.0
Coconut oil (Philippines)§	[illegible]	
Palm Oil [illegible]	350.0	
Copra (Philippines)§	$245.0z	
Soyabeans (US)	£137.5	
Cotton "A" index	82.80c	-0.15
Woollops (64s Super)	414p	

£ a tonne unless otherwise stated. p-pence/kg. [illegible] r-ringgit/kg. q-Nov/Dec. [illegible] z-Jan/Feb. [illegible] average fatstock prices. * change from a week ago. ♥London physical market. §CIF Rotterdam.

SUGAR – London FOX			($ per tonne)	
[illegible]	[illegible]	[illegible]	[illegible]	
Mar	[illegible]	[illegible]	201.00	[illegible]
May	[illegible]	[illegible]	[illegible]	200.80
Aug	[illegible]	[illegible]	[illegible]	[illegible]
Oct	[illegible]	[illegible]	209.00	[illegible]
[illegible]	215.00	215.00	208.00	
Mar	208.20	[illegible]	[illegible]	
[illegible]	210.00	213.00	210.00	
White	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
May	[illegible]	291.0	291.2	[illegible]
Aug	[illegible]	300.0	[illegible]	[illegible]
Oct	[illegible]	[illegible]	274.9	273.4
Dec	[illegible]	[illegible]	270.0	[illegible]

Turnover: Raw 1859 (984) lots of 50 tonnes. White [illegible] (2445)
Paris- [illegible] (FFr [illegible]) 1520, [illegible]

CRUDE OIL – IPE			$/barrel
	Close	Previous	High/Low
Feb	26.40	26.15	27.00 26.00
Mar	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	24.50	[illegible]
May	[illegible]	[illegible]	24.50 24.20
IPE Index	[illegible]	[illegible]	26.41 25.51

Turnover 6125 (11625)

GAS OIL – IPE			$/tonne
	Close	Previous	High/Low
Jan	268.00	237.75	277.50 264.50
Feb	251.00	220.75	256.50 244.50
Mar	237.50	208.00	240.00 232.00
Apr	220.00	199.00	227.00 220.00
May	218.00	194.50	223.00 215.00
Jun	219.00	192.50	220.00 218.00
Jul	216.00	193.00	216.00

Turnover 18573 (18233) lots of 100 tonnes

FRUIT & VEGETABLES [illegible]

COCOA – London FOX			[illegible]
	Close	[illegible]	High/Low
[illegible]	661	647	663 647
May	693	679	693 680
Jul	724	708	723 710
[illegible]	[illegible]	[illegible]	751 [illegible]
Dec	785	768	783 [illegible]
Mar	805	793	805 793

Turnover: 8094 (4543) [illegible] of 10 [illegible]
ICCO indicator prices (SDRs per tonne). Daily price for Jan 9 865.32 (868.92) 10 [illegible] average [illegible] 10 872.88 [illegible]

COFFEE – [illegible]			[illegible]
	[illegible]	[illegible]	High/Low
[illegible]	[illegible]	[illegible]	608 597
Mar	595	590	596 [illegible]
May	590	[illegible]	[illegible]
Jul	604	[illegible]	[illegible]
[illegible]	616	617	[illegible]
Nov	629	634	[illegible]
Jan	644	649	[illegible]

Turnover: 1571 (2769) lots of 5 tonnes
ICO ind[illegible] prices (US cents [illegible] pound) for [illegible] 71.40 (71.64). [illegible] average [illegible] (72.98)

POTATOES – [illegible]			[illegible]
	Close	[illegible]	High/Low
Apr	126.6	126.9	128.0 126.0
[illegible]	146.0	[illegible]	[illegible]

[illegible] of 40 tonnes.

SOYAMEAL – London FOX			[illegible]
	[illegible]	[illegible]	High/Low
[illegible]	113.00	113.00	[illegible]
[illegible]	[illegible]	114.00	[illegible]
Jun	[illegible]	[illegible]	116.00
Oct	[illegible]	[illegible]	[illegible]

Turnover 205 (350)lots of 20 tonnes.

FREIGHT – London FOX			[illegible]
	Close	Previous	High/Low
Jan	1460	1443	[illegible]
Feb	1490	1430	[illegible]
Apr	[illegible]	[illegible]	1365 1340
Jul	[illegible]		1060
BFI	[illegible]	1433	[illegible]

Turnover 297 (319)

GRAINS – London FOX			£/tonne
[illegible]	[illegible]	[illegible]	High/Low
[illegible]	118.60	[illegible]	[illegible]
Mar	[illegible]	[illegible]	122.10 [illegible]
May	[illegible]	[illegible]	125.65 [illegible]
[illegible]	127.25	[illegible]	127.30
[illegible]	111.90	[illegible]	111.90
Barley	Close	[illegible]	High/Low
[illegible]	[illegible]	[illegible]	[illegible]

Turnover [illegible]

PIGS – London FOX (Cash Settlement) p/kg [illegible]

Turnover: 29 (25) lots of 3,250 kg.

LONDON METAL EXCHANGE				([illegible] Amalgamated Metal Trading)		
	Close	Previous	High/Low	AM Official	Kerb close	Open Interest
[illegible] purity ($ [illegible] tonne)					Total daily turnover [illegible] lots	
Cash	[illegible]	[illegible]	[illegible]	[illegible]		
3 months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] lots
Copper, Grade A (£ per tonne)					Total [illegible]	
Cash	[illegible]	1317-8	[illegible]	[illegible]		
3 months	[illegible]	1340.5-1.5	[illegible]	[illegible]	1338-9	[illegible]
Lead (£ per tonne)					Total d[illegible] turnover 1[illegible] lots	
Cash	314-6	315-7	[illegible]	[illegible]		
3 months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nickel ($ [illegible] tonne)					Total daily [illegible]	
Cash	[illegible]	[illegible]	8775	8775-8800		
3 months	[illegible]	[illegible]	8825/8600	8700-10	8600-25	5,026 lots
[illegible] ($ [illegible])					[illegible] 1,266 [illegible]	
[illegible]	[illegible]	5620-30	5600	5600-10		
3 months	5735-40	5735-40	5760/5680	5705-20	5750-60	[illegible]
Zinc, [illegible] ($ per tonne)					[illegible]	
Cash	[illegible]	1265-70	[illegible]	1259-60		
[illegible]	[illegible]	1262-4	1262/1253	1257-8	1259-60	[illegible]

LME [illegible] rate: [illegible] 3 [illegible] 6 [illegible] 9 [illegible]

[illegible] – [illegible] FOX					
	[illegible]	[illegible]	[illegible]	Low	[illegible]
[illegible]	159.10	[illegible]	[illegible]		
[illegible]	159.70	[illegible]	159.70		[illegible]
Mar	[illegible]	161.80	[illegible]	[illegible]	[illegible]
Jun	159.70	[illegible]	[illegible]		[illegible]
[illegible]	160.30	160.50	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	[illegible]		[illegible]

LONDON BULLION MARKET
([illegible] by N.M.Rothschild)

Gold (fine oz) $ [illegible]		[illegible]
Close	390.00-390.[illegible]	
Opening	387.00-387.50	
Morning fix	388.50	203.212
Afternoon fix	390.55	204.478
Day's [illegible]	[illegible]00-391.50	
Day's low	[illegible]	

Loco Ldn Mean Gold Lending Rates (Vs US$)			
1 month	5.91	6 months	[illegible]
2 months	5.61	12 months	[illegible]
3 [illegible]	5.54		

Silver fix	p/fine oz	US cts equiv
Spot	216.70	413.85
[illegible] months	224.05	421.35
[illegible] months	230.95	428.80
[illegible] months	[illegible]	443.85

TRADED OPTIONS				
Coffee	Mar	M[illegible]	Mar	May
550	43	52	8	12
600	15	24	30	[illegible]
650	4	10	[illegible]	[illegible]
Cocoa	[illegible]	[illegible]	[illegible]	[illegible]

Brent Crude [illegible]

New York

GOLD 100 troy oz.; $/troy oz.				
	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	0	[illegible]
[illegible]	[illegible]	[illegible]	393.5	[illegible]
[illegible]	393.5	[illegible]	392.5	392.5
Apr	[illegible]	396.1	396.5	393.0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Aug	402.2	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	406.4	406.2	405.5
[illegible]	[illegible]	410.0	410.0	409.0
[illegible]	413.1	413.8	[illegible]	[illegible]

PLATINUM 50 troy oz; $/troy oz.				
	[illegible]	[illegible]	High/Low	
Jan	412.3	408.4	415.5	409.0
Apr	416.8	412.9	420.0	413.0
Jul	420.6	417.2	423.6	417.0
Oct	424.3	421.4	[illegible]	0
Jan	[illegible]	[illegible]	[illegible]	433.0

SILVER 5,000 troy oz; cents/troy oz.				
	Close	[illegible]	[illegible]	
[illegible]	409.9	412.7	411.0	411.0
Feb	411.8	414.8	0	0
[illegible]	414.5	417.5	422.0	413.5
May	420.2	[illegible]	[illegible]	419.0
Jul	[illegible]	[illegible]	[illegible]	[illegible]
Sep	431.3	434.4	0	0
Dec	439.3	442.3	445.0	441.0
Jan	[illegible]	444.4	0	0
Mar	[illegible]	450.8	[illegible]	[illegible]
[illegible]	[illegible]	456.7	0	0

HIGH GRADE [illegible]

CRUDE OIL (Light) [illegible]				
	Latest	Previous	High/Low	
[illegible]	[illegible]	[illegible]	28.30	[illegible]
Mar	26.90	[illegible]	27.75	26.70
Apr	26.10	[illegible]	26.70	25.75
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Jul	[illegible]	[illegible]	[illegible]	[illegible]
Aug	22.90	23.27	23.50	22.90
Sep	23.30	22.97	23.45	22.90
[illegible]	[illegible]	[illegible]	23.20	22.40

[illegible] OIL 42,000 US galls, cents/US galls				
	Latest	[illegible]	High/Low	
Feb	7800	7709	8050	7700
Mar	7[illegible]	[illegible]	7710	7380
Apr	71[illegible]	[illegible]	7280	6990
[illegible]	6775	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	6700	6500
Jul	6400	[illegible]	6600	6375
Aug	6580	[illegible]	[illegible]	6525
Oct	6700	6646	[illegible]	6700
[illegible]	[illegible]	[illegible]	0	[illegible]

COCOA 10 tonnes;$/tonnes				
	Close	[illegible]	High/Low	
Mar	[illegible]	[illegible]	1160	1137
May	1219	1177	1225	1177
Jul	1255	1215	1265	1215
[illegible]	[illegible]	[illegible]	1300	1266
[illegible]	[illegible]	1298	[illegible]	[illegible]
Mar	[illegible]	[illegible]	1374	[illegible]
May	[illegible]	1366	0	0

COFFEE "C" 37,500lbs; cents/lbs				
	[illegible]	[illegible]	[illegible]	
[illegible]	[illegible]	[illegible]	90.75	[illegible]
[illegible]	[illegible]	[illegible]	93.00	[illegible]
[illegible]	94.60	[illegible]	94.75	93.75
[illegible]	[illegible]	[illegible]	96.95	96.00
Dec	99.65	[illegible]	[illegible]	99.00
[illegible]	[illegible]	[illegible]	0	0
[illegible]	[illegible]	[illegible]	0	[illegible]

SUGAR WORLD "11" 112,000 lbs; cents/lbs				
	Close	[illegible]	High/Low	
[illegible]	8.97	9.[illegible]	9.10	8.95
May	9.06	9.22	9.18	[illegible]
Jul	9.11	9.28	9.24	9.10
Oct	9.16	9.32	9.26	9.13
Mar	[illegible]	[illegible]	9.32	9.25
May	9.26	9.47	9.35	9.35

COTTON 50,000; cents/lbs				
	Close	[illegible]	High/Low	
[illegible]	[illegible]	75.47	[illegible]	[illegible]
May	[illegible]	73.97	74.40	73.85
Jul	[illegible]	[illegible]	[illegible]	[illegible]
Oct	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	63.90	63.95	63.85
Mar	[illegible]	[illegible]	0	0
May	65.33	[illegible]	0	[illegible]

ORANGE JUICE 15,000 [illegible] cents/lbs				
	[illegible]	[illegible]	[illegible]	
Jan	114.50	113.85	116.50	114.00
Mar	113.05	[illegible]	[illegible]	111.50
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

INDICES

REUTERS (Base: September 18 1931 = 100)

Jan 10	Jan 9	mnth ago	yr ago
[illegible]	[illegible]	[illegible]	[illegible]

DOW JONES (Base: Dec. 31 1974 = 100)

	Jan 9	Jan 8	mnth ago	yr ago
Spot	[illegible]	[illegible]	[illegible]	[illegible]
Futures	[illegible]	[illegible]	[illegible]	[illegible]

Chicago

SOYABEANS 5,000 bu min; cents/60lb bushel				
	Close	Previous	High/Low	
Jan	560/2	[illegible]	560/4	558/2
Mar	569/6	566/4	[illegible]	566/4
[illegible]	583/2	580/6	[illegible]	580/0
Jul	596/0	592/6	[illegible]	593/0

SOYABEAN OIL 60,000 lbs; cents/lb [illegible]

SOYABEAN MEAL 100 tons; $/ton [illegible]

MAIZE 5,000 bu min; cents/56lb bushel [illegible]

WHEAT 5,000 bu min; [illegible]

LIVE CATTLE 40,000 lbs; cents/lbs [illegible]

LIVE HOGS 30,000 lb; cents/lbs [illegible]

PORK BELLIES 40,000 lbs; cents/lb [illegible]

LONDON STOCK EXCHANGE

Share prices give back "peace" gains

THE EXPECTED reversal in London share prices prompted by the collapse of the Gulf crisis talks in Geneva proved less dramatic than feared [illegible] day.

The UK market [illegible] heartened by the calm reception in the Tokyo [illegible] market for [illegible] news, announced after London closed on Wednesday, that the Gulf talks had brought [illegible] between Mr [illegible] Baker, US secretary [illegible] and Mr Tariq Aziz, the Iraqi foreign minister. The [illegible] the Geneva talks [illegible] London investors [illegible] prospects [illegible] Saturday's visit to Baghdad by [illegible] Perez de Cuellar, the UN secretary general.

The stock market opened [illegible] FT-SE points off but [illegible] no further ground during the [illegible]. At the end of the day, traders commented that the FT-SE 2,100 area had again proved a support level and that selling pressure had been light. Equities were sustained to some degree by the relatively stable performances by both sterling and Brent North Sea crude oil prices.

Account Dealing Dates		
*First Dealings:		
Dec 31	Jan 14	Jan 28
[illegible] Declarations:		
Jan 10	[illegible]	[illegible]
Last Dealings:		
Jan 11	[illegible]	Feb 8
Account Day:		
Jan 21	Feb 4	Feb 18

*New-time dealings may take place from 8.30 am two business days earlier.

Most of the share losses represented little more than corrections of gains achieved in the previous session, when the stock market took a mistakenly optimistic view of progress at the meeting in Geneva.

Upset [illegible] by [illegible] batch of corporate profits downgradings [illegible] leading [illegible] by brokerage analysts, the [illegible] quickly dipped by more than 25 [illegible] points to 2,103.6 yesterday morning. Selling [illegible] were relatively few, however. "Perhaps three quarters of the fall [illegible] of [illegible] price mark-downs by marketmakers," [illegible] trader.

At [illegible] level, [illegible] of the Footsie [illegible] mark [illegible] had formerly [illegible] as [illegible] buying [illegible] for [illegible] funds, [illegible] market [illegible] breath; [illegible] duly made their appearance, although [illegible] on [illegible].

The market rallied [illegible] moved narrowly for the rest of the day, with London sensing that Wall [illegible] would be in better heart in the new session. In [illegible] event, [illegible] moved uncertainly before showing a gain [illegible] 10.15 as the UK market [illegible]. The final reading left [illegible] at 2,108.7, [illegible] loss of 20.2 points on the session.

Seaq [illegible] totalled 375m shares, compared with 405.9m on [illegible] previous day. Across [illegible] of equities, turnover was unexciting, with BP recording only [illegible] shares [illegible] a mere [illegible] despite [illegible] focus on energy [illegible] ated by [illegible] Gulf crisis.

The profits downgrades [illegible] brokers, although involving [illegible] stocks [illegible] ICI, Smiths Industries, [illegible] and Pearson, owner of the Financial Times, confirmed rather than altered the investment view of the corporate outlook.

■ Daily [illegible] business in equities [illegible] fallen [illegible] the [illegible] and, [illegible] some recovery [illegible] Christmas, remains well [illegible] daily average totals for 1990.

London SE volume

Turnover by volume (million)

Excl: Intra-market business & Overseas turnover

Capital plans hit Saatchi

SAATCHI [illegible] once the world's largest advertising agency, dropped 10 [illegible] revealing [illegible] a proposed recapitalisation. Turnover, at 3.3m, was the highest since early December.

The restructuring involves replacing £211m [illegible] Euroconvertible shares and £100m [illegible] UK preference shares with [illegible] combination of new ordinary [illegible] preference stock. "If it [illegible] approved it will [illegible] three and four [illegible] as many [ordinary] [illegible] in issue," [illegible] Kenny [illegible] BZW. "I [illegible] seller [illegible] to the [illegible] teens."

Mr [illegible] Grimbley at [illegible] was [illegible] pessimistic, [illegible] shares should [illegible] around 20p. "The good [illegible] if this goes through, the company will survive. The underlying business should just [illegible] able to support [illegible] question [illegible] waiting for the upturn [illegible] arrive."

Forecasts of both higher annual profits and dividend accompanied the [illegible] call, [illegible] proceeds of which will be used to finance [illegible] group's capital investment programme. Many analysts, however, [illegible] impressed with [illegible] strategy and [illegible] critical.

Mr Ian Moore of [illegible] Phillips & Drew felt the [illegible] direction. He [illegible] optimistic Biogel (surgical [illegible] proceeds [illegible] be used to [illegible] the put option on [illegible] group's [illegible] issue, [illegible] has [illegible] a cause [illegible] concern. [illegible] of [illegible] stock.

[illegible] took LIG [illegible] its buy list last week because of the uncertainty over the convertible [illegible]. Analyst Mr [illegible] Culverwell said [illegible] was hearing [illegible] about [illegible] profits [illegible]. Fund management group John Govett [illegible] large shareholding in LIG in November.

Dowty tumbles

Aerospace and defence contractor Dowty [illegible] under heavy pressure as [illegible] analysts [illegible] profits estimates after Tuesday's unexpected announcement [illegible] rationalisation moves. Such was the [illegible] of selling that the beta-rated [illegible] sustained an [illegible] double-figure [illegible] to [illegible] 13½ down at [illegible] 1990/91 low of 151p. Turnover in beta stocks is not disclosed until the following day.

Mr. Chris Avery of [illegible] New Court was among those to reduce profit forecasts for [illegible] this [illegible] and next. Citing [illegible] of recession at home [illegible] abroad on the group's [illegible] which are information technology and polymers, he sharply lowered profits expectations for 1991 to [illegible]. His [illegible] figure for 1992 is £79m, against previously £90m.

LIG drops sharply

The attraction [illegible] one [illegible] the London market's stars [illegible] yesterday [illegible] it unexpectedly called on shareholders for [illegible] funds [illegible]. Until recently [illegible] of health and household company London International Group had been riding high [illegible] a 1990/91 peak, but [illegible] yesterday's rights [illegible] they ended down 23 [illegible] after 212p.

TSB hold steady

Full [illegible] by [illegible] sharply increased [illegible] provision from TSB, [illegible] high street bank, [illegible] £312m, just [illegible] of the [illegible] of forecasts, but failed to cause any substantial damage [illegible] TSB share price that performed creditably given [illegible] overall [illegible] slide.

At the close the stock was only marginally easier at 132p on disappointingly low turn[illegible] of 3.8m shares.

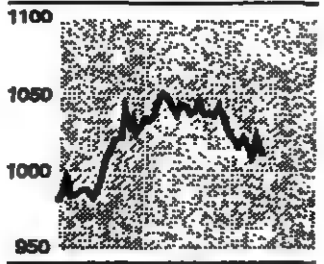
"The underlying profits before provisions, [illegible] per cent, were [illegible] not [illegible] bad," said one [illegible] specialist, who added that the 10 per cent rise in the dividend total was a mild disappointment to some analysts.

Dealers said there was a tremor of concern over TSB's statement on dividend policy, which said the bank would not continue to increase the payment above the rate of inflation if, in future, trading experience and prospects did not justify it.

The market had been expecting a bad debt provision in excess of £200m, but most researchers were surprised at the actual amount of £261m, compared with last year's figure of £92m.

Wellcome [illegible] one of [illegible] FT-SE stocks [illegible] gain ground

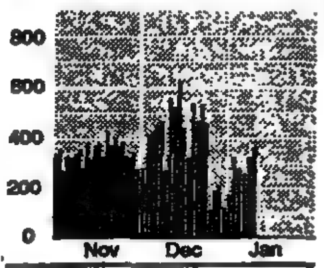
FT-A All-Share Index



Equity Shares Traded

Turnover by volume (million)

Excluding: Intra-market business & Overseas turnover



after [illegible] Capel [illegible] the [illegible] pany's [illegible] drug [illegible] of Zovirax, another drug, [illegible] of Retrovir [illegible] per [illegible] in [illegible] year. [illegible] 416p.

A downgrading of ICI [illegible] UBS Phillips [illegible] Drew left the [illegible] off [illegible] 872p. [illegible] Alastair Nisbet is forecasting £800m for [illegible] current year (down [illegible] for [illegible] (down [illegible]). He [illegible] ICI was losing money on its non-pharmaceuticals business and that 1992 would see more competition in chemicals from US suppliers in Europe.

The massive bad [illegible] provision made by TSB and a chilling message from Sir Michael Herries, Royal Bank of Scotland's outgoing chairman at the Scottish bank's annual meeting in Edinburgh, produced across [illegible] board falls in the banks.

Sir Michael warned of little expectation of a material recovery in the UK economy until late this year or even 1992. He said companies would continue to experience difficult trading conditions and that the consequences for the banks would be the probable sluggish demand for funds. He also spoke [illegible] to provide against bad and doubtful debts.

Royal [illegible] of [illegible] 3 [illegible] of 5m, mostly [illegible] by [illegible] stock, [illegible] of [illegible] shares. Barclays, 350p, Lloyds, 289p, [illegible] Midland, 175p, were all [illegible] 4 lower. Standard Chartered [illegible] the [illegible] in the sector, retreating 14 [illegible].

[illegible] spate of profits [illegible] grades [illegible] encompassed, [illegible] others, Steetley, [illegible] Wimpey. The first-named was a poor market, dropping [illegible] BZW lopped [illegible] 1991 forecast [illegible] Redland, [illegible] BZW lowered [illegible] 1991 [illegible] by £10m to £235m, fell [illegible] to [illegible].

Rolling [illegible] Telfos [illegible] 5 higher [illegible] 137p on [illegible] possibility [illegible] Jenbacher Werke, the Austrian railway engineering group [illegible] owns a small stake, might [illegible] share exchange plus cash offer from William Cook, currently worth around 126p per Telfos share.

Haden MacLellan was stung by a BZW downgrading and fell 9 to 102p. Analyst Mr Rory Sweetman reduced this year's profits estimate to £22.2m from £25.5m, owing to an easing in demand and possible delay in the award of a US contract, but stressed that the combination of an 8p a share dividend forecast for 1990 and nil gearing provide a major prop.

The listing of Norton shares was briefly suspended until the underwriter of the unsuccessful rights issue made settlement in full. Some 89 per cent of the issue was left with the underwriter, who claimed the delay was caused by the default of a sub-underwriter. [illegible] eased to 15p [illegible] ing unchanged at 16p.

[illegible] up 4 to [illegible] as [illegible] Court [illegible] that after 15 per [illegible] underperformance over [illegible] months [illegible] shares [illegible] near [illegible] a level where they [illegible] be bought for [illegible] dividend yield. [illegible] highlighted [illegible] strong balance sheet and large overseas exposure and said its net debt should be [illegible] at [illegible] of the year.

[illegible] declined 5 to 141p in busy trade [illegible] spite of [illegible] ter than expected interim profits, reflecting profit-taking after [illegible] previous session's rally. Almost alone [illegible] sector, Dixons is now expected [illegible] record higher profits than had been previously forecast by analysts.

Higher oil prices weakened British Airways, although the latest monthly traffic statistics provided some support. Total scheduled traffic in December grew by 8.5 [illegible] cent [illegible] November and was only slightly less than a 9.5 per cent increase in capacity. The [illegible] slipped [illegible] to 142½p [illegible].

Rank Organisation [illegible] one of only a [illegible] to [illegible] higher [illegible] session. [illegible] rallied from an initially depressed [illegible] to close [illegible] 7 higher [illegible] 599p, [illegible] in [illegible] turnover of only 214,000.

[illegible] responded to a developing stock shortage and [illegible] regard Rank as one [illegible] highest [illegible] stocks in [illegible] leisure sector. "In [illegible] times it pays to go for top quality," [illegible] one specialist.

Some property leaders [illegible] to show gains on [illegible] day. [illegible] was positive [illegible] Land [illegible] Gordon [illegible] buying [illegible] were optimistic [illegible] MEPC.

Smith was the [illegible] tious, saying [illegible] were core holdings [illegible] tricky sector. Panmure [illegible] unequivocal buy recommendations, saying [illegible] well placed [illegible] any [illegible] in the sector, [illegible] MEPC [illegible] trading [illegible] to Land Securities. MEPC [illegible] 6 [illegible] 492p, Land Securities added 2 [illegible] 522p, having peaked [illegible] 525p, and British Land firmed [illegible] penny to 261p.

Several houses, including [illegible] Capel, BZW [illegible] County NatWest, [illegible] profits [illegible] in the [illegible] sector. Ladbroke and Trusthouse Forte [illegible] the main victims. Analysts believe [illegible] inhibiting international [illegible] ism, especially on the part of Arabs and US citizens. Ladbroke [illegible] 9 [illegible] THF [illegible] 5 [illegible] 237p.

County [illegible] the knife to Bass, partly [illegible] interest, [illegible] Coral betting chain recorded [illegible] than expected pre-Christmas business. Bass declined 11 [illegible] 1048p.

A presentation [illegible] analysts [illegible] second line [illegible] Devenish, by Smith [illegible] Court, left the shares 4 firmer at 145p. "Devenish is concentrating pub management and development, at which they are very good," said Smith.

Savills, the surveyors, lost 5 to 41p on interim losses. The company warned there was little prospect of improvement in the second half.

Pearson and Reed International both [illegible] profits downgradings [illegible] S.G. Warburg. Ms Angela Baw[illegible] Warburg cited lower advertising [illegible] and [illegible] weak dollar [illegible] the [illegible] half [illegible] year. [illegible] are [illegible] to the second half, especially for educational [illegible] such as [illegible] publis[illegible] by [illegible] Addison-Wesley, which are at their highest [illegible] the start of the academic [illegible].

She added that the lack of corporate deals in the UK was hurting Pearson's investment banking arm Lazard. Ms Bawtree cut current year profits forecasts by £26m to £234m for Pearson and by £18m to £262m for Reed. Pearson lost 16 to 644p and Reed eased 4 to 373p.

■ Other market statistics, including the FT-Actuaries Share Index [illegible] London [illegible] Options, Page 27.

NEW HIGHS AND LOWS FOR 1990/91

NEW HIGHS (2). BRITISH FUNDS (1) TRUSTS (1). NEW LOWS (146). AMERICANS (1) BANKS (3) BUILDINGS (10) STORES (6) ELECTRICALS (8) ENGINEERING (8) FOODS (3) HOTELS (6) INDUSTRIALS (27) Amber Indl., Amer A, Avon Rubber, BBB, British Bloodstock, British Fittings, Caparo Inds., Colorgen, Dean & Bowes, Dyson (J & J) A, Expamet, Fenner, Gieves, [illegible] Hampson [illegible], Hanson [illegible] ISA Intl., [illegible] Cleaners, Marling [illegible] NMC, [illegible] & Medical, Powell Duffryn, RPS, Select Appointments, Shanks & McEwan, Shaw (Arthur), Whitecroft. LEISURE (6) MOTORS (3) NEWSPAPERS (1) PAPERS (6) PROPERTY (11) TEXTILES (1) TRANSPORT (2) TRUSTS (38) OILS (12) MINES (6).

FINANCIAL TIMES STOCK INDICES

	[illegible]	Jan 9	Jan [illegible]	Jan 7	Jan 4	Year Ago	1990/91 High	1990/91 Low	Since [illegible] High	Since [illegible] Low
Government Secs	83.31	83.39	[illegible]	82.98	[illegible]	[illegible]	84.20 (2/1/90)	74.13 (30/4/90)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed [illegible]	91.09	[illegible]	[illegible]	90.93	90.91	92.55	92.91 [illegible]	[illegible]	105.4 [illegible]	50.53 (3/1/75)
Ordinary Share	[illegible]	[illegible]	1636.9	[illegible]	1659.5	[illegible]	1968.3 (3/1/90)	1510.4 (24/9/90)	2008.6 (5/9/89)	[illegible]
Gold [illegible]	[illegible]	170.2	174.9	157.6	157.8	337.8	[illegible]	136.2 (18/12/90)	734.7 (15/2/83)	43.5 (26/10/71)
FT-SE 100 Share	[illegible]	[illegible]	2098.9	[illegible]	2126.1	2417.9	2463.7 (3/1/90)	1990.2 (28/9/90)	2463.7 (3/1/90)	[illegible]
FT-SE Eurotrack [illegible]	[illegible]	941.77	[illegible]	925.46	947.24◆	-	1003.35 (6/12/90)	918.79 (8/1/91)	[illegible]	918.79 (8/1/91)

Ord. Div. [illegible]	[illegible]	5.76	5.86	5.81	5.79	4.40
Earning [illegible] %(full)	12.11	[illegible]	12.19	12.11	12.03	10.72
P/E [illegible]	[illegible]	[illegible]	[illegible]	9.98	10.04	11.29
SEAQ Bargns [illegible]	31,641	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Equity Turnover(£m)†	-	852.50	[illegible]	[illegible]	654.27	[illegible]
[illegible]	-	[illegible]	[illegible]	32,748	[illegible]	[illegible]
[illegible] Traded [illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]	502.1

Basis 100 Govt. Secs 15/10/26, Fixed Int. 1928, Ordinary 1/7/35, Gold mines 12/9/55. Basis 1000 FT-SE 100 31/12/83 [illegible] FT-SE Eurotrack 100 31/8/90. ✫ [illegible] 9.82 ◆-Indicative.

Ordinary Share Index, Hourly changes — Day's High 1654.9 — Day's Low 1645.3

Open	9 am	10 am	11 am	12 pm	1 pm	2 pm	3 pm	4 pm
1648.8	1645.9	1652.0	1651.6	1648.7	1650.4	1650.4	1650.1	1650.7

FT-SE, [illegible] changes — Day's High 2114.3 — Day's Low 210[illegible]

Open	9 am	10 am	11 am	12 pm	1 pm	2 pm	3 pm	4 pm
2109.3	2105.3	2111.0	2110.4	2107.9	2109.8	2109.7	2109.5	2109.4

FT-SE [illegible] 100, hourly changes — Day's High [illegible] — Day's [illegible]

Open	10 am	11 am	[illegible]	1 pm	2 pm	3 pm
926.51	926.52	929.54	[illegible]	930.43	931.66	930.19

GILT EDGED ACTIVITY

Indices*	Jan 10	[illegible] 8
[illegible] Edged Bargains	99.3	102.3
5-Day [illegible]	[illegible]	[illegible]

*SE Activity [illegible]. †Excluding intra-market [illegible] turnover.

London report and latest [illegible] index: Tel. 0898 123001

TRADING VOLUME IN MAJOR STOCKS

Stock	Volume 000's	Closing Price	Day's change
AGT	534	101	-3
ASDA Group	8,100	121½	-2½
Abbey National	2,000	223	-2
Allied-Lyons	[illegible]	[illegible]	-11
[illegible]	[illegible]	54	-1
Anglian Water	[illegible]	289	
Argos	380	249	-1
Argyll Group	822	342	-2
Ass. Brit. Foods	[illegible]	443	
[illegible]	[illegible]	[illegible]	[illegible]
British Land	196	261	+1
BP	2,600	317	-2
British Steel	1,400	[illegible]	-1½
British Telecom	2,300	278½	-1½
Bunzl	55	55	-2
Burmah Castrol	549	475	-1
Burton	741	75	-1
Cable & Wire.	828	[illegible]	-6
Cadburys	1,200	[illegible]	-4
Coats Viyella	1,100	105	
Comm Union	275	[illegible]	
Cookson	56	[illegible]	-2
Courtaulds	[illegible]	[illegible]	[illegible]
Dalgety	175	341	-2
Dixons	2,800	[illegible]	-5
ECC Group	798	[illegible]	-3
Eastern Elect.	3,400	[illegible]	-3
East Midland Elect.	2,000	146½	-½
Enterprise Oil	1,300	581	-7
Eurotunnel Units	357	372	-3
FKI	491	44	-1½
Ferranti	435	14½	
Fisons	884	389	-3
Gen. Accident	894	478	-5
[illegible]	[illegible]	[illegible]	[illegible]
Kingfisher	1,100	[illegible]	
Ladbroke	3,200	[illegible]	-9
Land Securities	444	522	+2
Laporte	42	[illegible]	-1
Lloyds Abbey	665	[illegible]	-2
Lloyds Bank	782	[illegible]	-4
LASMO	2,300	[illegible]	-6
London Elect.	2,700	144½	-2½
Lucas	387	195	-3
MB Caradon	211	197	-4
MEPC	775	492	+6
Manpower	324	53½	+½
Marks & Spencer	1,500	225	-4
Maxwell Comms.	113	150	-1
Midland Bank	1,100	175	-4
Midlands Elect.	3,200	139½	-2½
NatWest Bank	886	278	
Next	2,800	[illegible]	
North West Water	1,300	[illegible]	
Northern Elect.	1,300	145	-1
[illegible]	[illegible]	[illegible]	[illegible]
Reg. Elect. Pfg Uts	9	[illegible]	-17
Reuters	692	[illegible]	-7
Rolls Royce	4,500	168	-4
Royal Insurance	[illegible]	380	+1
Scottish & New.	338	[illegible]	-3
Sears	1,400	[illegible]	-1
Sedgwick	[illegible]	[illegible]	
Severn Trent Water	398	345	
Shell Transport	2,500	441	-1
Slough Ests	217	223	
Trusthouse Forte	2,200	237	-5
Ultramar	1,500	317½	-4½
Unigate	40	[illegible]	-2
Welsh Water	407	[illegible]	
Wessex Water	[illegible]	363	-1
Wiggins Teape	1,400	184	
Willis Corroon	511	[illegible]	-3
Yorkshire Elect.	[illegible]	152½	[illegible]
Yorkshire Water	[illegible]	[illegible]	

Based on trading volume for most Alpha securities dealt through the SEAQ system yesterday until 4.30pm.

LONDON SHARE SERVICE

BRITISH FUNDS

1990/91 High	1990/91 Low	Stock	Price £	+ or -	Yield Int.	Yield Red.
[illegible]	[illegible]	"Shorts" (Lives up to Five Years)	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	Five to Fifteen Years	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	Over Fifteen Years	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	Undated	[illegible]	[illegible]	[illegible]	[illegible]

BRITISH FUNDS—Contd

Index-Linked

[illegible]

INT. BANK AND O'SEAS

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS

Building Societies

[illegible]

Public Board and Ind.

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

AMERICANS—Contd

1990/91 High	1990/91 Low	Stock	Price £	+ or -	Div Gross	C'vr	Y'ld Gr's
[illegible]	524p	Chase Manhattan Corpn.	[illegible]	-15	$1.00	-	9.1
12½	5¼	Chrysler $6¼	[illegible]	-¼	$1.20	-	9.4
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CANADIANS

[illegible]

Continued on next page

APPOINTMENTS

Chairman of Gresham Trust

■ Mr Norman Baldock, managing director since 1969, has [illegible] appointed chairman of GRESHAM TRUST, [illegible] wholly-owned subsidiary of Eagle Star Holdings. He [illegible] succeeded by Mr Trevor Jones, *(pictured)* an executive director since 1982.

Mr Michael Carr becomes deputy chairman; and Mr David Ascott, a senior investment manager, is [illegible] an executive director. Mr Michael Walker, an assistant director [illegible] Hill Samuel Bank, will [illegible] executive director on joining Gresham Trust. Mr Colin Parker, an executive director of Eagle Star, joins as a non-executive director.

■ Mr David Edmonds has been appointed general manager, property management, of NATIONAL WESTMINSTER BANK, becoming responsible for a portfolio worth over £2bn. He is the first general manager to be appointed from outside the bank. Mr Edmonds has [illegible] chief executive of the Housing Corporation since 1984, and additionally since 1988 director of the Housing Finance Corporation.

■ Mr Robert J. Margetts, ICI general manager personnel, has been appointed chairman and chief executive of TIOXIDE GROUP in succession to Mr K.F. Plant. Mr Margetts has been a non-executive director of Tioxide since 1989.

■ Mr Dennis G. Brant has become chairman and chief executive of Wimpey Construction in succession to Mr J.A. Dwyer, recently appointed chief executive of the WIMPEY GROUP. Mr Brant was managing director of Wimpey Construction, and joined the group in 1967. Mr Timothy S. Ross has been appointed chairman and chief executive of Wimpey Minerals, also succeeding Mr Dwyer. Mr Ross joined the group in 1975, and was managing director of Wimpey Minerals. Mr David H. Heppell becomes president of George Wimpey Inc in the US from February 1, succeeding Mr P.D. Whitehouse who has resigned. Mr Heppell retains his current post as chairman and chief executive of George Wimpey Canada. Mr David J. Anderson is appointed to the group's executive board and succeeds Mr Brant as managing director of Wimpey Construction UK. Mr Anderson was commercial director, construction division.

■ Mr Richard Savage has been appointed group treasurer of BRITISH TELECOMMUNICATIONS from March 1. Mr B.J. Cameron Small, current group treasurer, will be appointed director financial control, personal communications division, when the division is formed on April 1.

■ Mr Michael Murray has been appointed managing director of the garden products group of BLUE CIRCLE INDUSTRIES, succeeding Mr Philip Buckle who has moved to another part of the Blue Circle Group. The garden products group includes Atco and Qualcast. Mr Murray was deputy managing director of the group, which he joined in 1988 as managing director of Atco.

■ Mr [illegible] director [illegible] Forward Inns, [illegible] been appointed finance and acquisitions [illegible] at WILTSHIRE [illegible]. Mr Barry Mailes, [illegible] brewer [illegible] Wolverhampton and Dudley Breweries, [illegible] joined as brewing director.

■ Mr Richard Holdron has been appointed managing [illegible] of the CROWN CORK COMPANY, where he is also responsible for the company's interests in Ireland and Nigeria. He was a director of Thorn Lighting.

■ Mr David Stanton has been appointed commercial director of GOODYEAR GREAT BRITAIN, Wolverhampton, following the retirement of Mr Gordon Bain. Mr [illegible] was managing [illegible] of Goodyear's [illegible] Tyreservices Great Britain.

■ ATTWOODS, a waste management [illegible] appointed Mr Roy Bond as [illegible] treasurer. [illegible] was group [illegible] Leisure Group.

■ SIDDALL & HILTON (SPRINGS) [illegible] appointed Mr Edward Myrtle [illegible] sales director. He was [illegible]

Mr [illegible] Fisher *(pictured)* [illegible] been appointed group financial [illegible] of ALBERT E. [illegible] HOLDINGS, and [illegible] director of Albert E. [illegible] Co, stockbrokers. He joined [illegible] company in 1987 [illegible] Viyella [illegible] he was [illegible] the Aero Needles Group.

هكذا من الأصل

● Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help desk on 071-925-2128

LONDON SHARE SERVICE

BANKS, HP & LEASING

1990/91 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
£13½	£9	ABN Amro Fl5	£9⅞	+⅛	Q28%	2.1	8.9	5.3
303	121	ANZ SA1	121	−2	Q38c	♦	12.8	♦
294	172	Abbey National 10p	223	−2	5.7	4.3	3.4	9.0
◦274	128	Allied Irish Ord	132	.....	†Q40%	3.3	6.8	6.0
85	47	Anglo Irish	55	.....	Q18.6%	2.3	7.6	7.2
93	60	Ansbacher (H.) 1p	68	.....	2.5	1.3	5.6	17.3
£71½	£32⅝	Bancaire Cie Fr100	£44⅞	+½	‡Q12¼%	–	2.9	–
£22½	£12⅞	Banco Bilbao Viz.	£13⅝	+½	Q49.1%	2.7	5.9	9.3
£38½	£23⅞	Banco de Santander	£23⅞	.....	Q24.7%	2.5	4.2	9.5
286	130	Bank Ireland Ir£1	144	.....	Q14.7%	2.9	9.1	5.1
£19½	£18	Bank Leumi	£19½	.....	–	–	–	–
351	320	Bank Leumi (U.K.) £1	350	.....	†15.0	–	5.7	–
129½	100	Bank Scotland	117	.....	†4.55	3.4	5.2	7.5
101¼	83¼	Do. 9¼pc Irrd Pf £1	98½	.....	9¼%	–	12.5	–
54	39	Bank of Wales	42	.....	2.8	0.8	8.9	(20.2)
428	290	Barclays £1	350	−4	†h19.57	3.5	7.5	4.9
22	10	Benchmark 20p	10	−2	0.75	–	10.0	–
335	195	Brown Shipley £1	195	.....	‡12.0	2.2	‡	6.3
◦435	285	Cater Allen £1	394	−3	F24.5	–	8.3	–
179	29	Chancery	44	.....	‡9.0	2.7	‡	1.8
£23¼	£14	Commerzbk DM10	£15⅞	+⅞	Q18%	–	3.9	–
£13⅛	620	Dai Ichi KBk Y50	750	+13	Q17%	6.2	0.5	35.4
£31⅝	£18⅞	Deutsche Bk DM50	£282⅞	+2⅞	Q28%	–	2.3	–
£20¾	£14½	Espirito Santo	£16¼	−⅛	Q75c	5.1	2.3	8.4
253	166	First Nat. Fin. 10p	173	−3	13.0	♦	10.5	♦
121	82	FNFC 6.3pc Cv. Pf £1	86	.....	6.3%	–	9.8	–
£13⅛	633	Fuji Bank Y50	886	+19	†Q17%	6.9	0.4	37.7
325	262	Gerrard & National	312	−2	19.0	–	8.1	–
154	70	Guinness Mahon 10p	78	.....	1.45	♦	2.8	♦
328	194	Hambros 20p	224	−3	†11.5	–	6.8	–
[illegible]	[illegible]	Do. 7.5pc Cv. Pf £1	180	.....	7½%	–	10.0	–

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BUILDING, TIMBER, ROADS

BUILDING, TIMBER, ROADS — Contd

CHEMICALS, PLASTICS

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS — Contd

ELECTRICITY

ENGINEERING

ENGINEERING — Contd

FOOD, GROCERIES, ETC

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

INDUSTRIALS (Miscel.) — Contd

INDUSTRIALS (Miscel.) — Contd.

INSURANCES

LEISURE

MOTORS, AIRCRAFT TRADES

Commercial Vehicles

LONDON SHARE SERVICE

■ Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help [redacted] on 071-925-2128

MOTORS, AIRCRAFT TRADES — Contd

Components

1990/91 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
458	420	Abbey Panels	453	.....	3.5	10.8	1.0	12.0
225	135	Airflow Streamlines ♥	140	.....	6.0	3.0	5.7	7.8
190	145	Bostrom 5p ♥	147	.....	†5.75	3.1	5.2	6.7
266	151	Dowty 50p ♦	151	−13½	†9.0	2.1	8.1	7.1
239	110	F R Group ♦	117	−2	6.37	3.1	7.3	6.0
135	55	Kwik-Fit Hldgs 10p ♦	75	−2	†2.4	2.3	4.3	13.9
174	102	Lucas Inds ♣	135	−3	7.0	2.5	6.9	6.6
44	14	Do. Warrants ♦	22½	−½	—	—	—	—
80	53	‡Mid-States 10p ♥	53	−2	s20.75	—	1.9	44.4

Garages and Distributors

1990/91 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
28	14	Alexanders 10p ♥	15	+1	1.0	♦	9.5	♦
135	78	Appleyard 10p ♦	79	−1	†7.8	2.4	13.2	3.7
110	55	‡Bletchley Motor 20p ♥	70	+5	†7.5	1.9	14.3	5.0
569	398	Caffyns 50p ♦	400	.....	11.5	1.0	3.8	(36.5)
121	89	‡Central Motor Auctns ♥	91	.....	†3.25	3.2	4.8	8.7
61	20	‡Cook (D.C.) Hldgs 5p ♥	20	.....	1.0	5.3	6.7	3.8
89	33	Cowie (T.) 5p ♦	42	−3	4.2	1.5	13.3	5.8
95	56	Dagenham Motors 10p ♥	76	−2	†5.25	2.8	9.2	5.3
98	73	Davenport Vernon 10p ♥	75	.....	3.5	3.6	6.2	5.2
247	163	Evans Halshaw ♦	165	.....	11.25	2.4	9.1	6.0
113	68	Gates (F.G.) ♦	73	.....	2.75	1.9	5.0	13.7
161	25	Gowrings 10p ♥	33	.....	5.63	1.0	22.7	5.7
81	44	Jacks Wm. ♥	44	.....	±2.0	1.0	±	21.6
118	43	Jessups ♥	46	.....	7.0	1.0	20.3	6.7
297	152	Lex Service ♦	152	−3	15.3	1.9	13.4	5.4
147	50	Lookers ♥	70	−1	6.2	3.9	11.8	2.9
43	21	‡Malaya Group 10p ♥	25	.....	2.0	♦	10.7	♦
133	85	Pendragon ♥	93	−1	21.8	—	2.6	6.0
178	99	Perry Group ♦	103	.....	9.0	1.4	11.7	7.6
133	51	Quicks Group 10p ♥	52	−4	6.0	3.0	15.4	2.7
238	150	Sanderson Murray Elder 50p ♥	202	.....	—	—	—	(14.1)
26½	13½	Trimoco 10p ♦	14½	.....	1.4	2.4	12.9	4.2
£222	£120	Do. 11½pc Ln '96	£122½	.....	Q11.5	—	9.4	—
86	68	Vardy (Reg) 10p ♥	74	.....	3.6	3.4	6.5	8.2

NEWSPAPERS, PUBLISHERS

1990/91 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
93	28	Adscene 5p ♥	28	.....	4.0	1.2	19.0	6.1
273	183	BPP Hldgs 10p ♥	203	.....	†5.25	2.6	3.4	14.9
190	125	Barbour Index ♥	137	−3	6.0	2.2	5.8	10.3
520	385	Black (A. & C.) ♥	510	.....	13.0	2.3	3.4	16.4
1020	595	Blenheim Group 5p ♥	595	.....	20.0	2.4	4.5	10.7
375	217	Bristol Eve. Post ♥	220xd	.....	11.5	1.6	7.0	12.3
£61	£35	Daily Mail 'A' 50p ♥	£40	.....	†100.0	4.1	3.3	7.8
257	187	EMAP ♦	197	−2	†6.5	2.7	4.4	11.1
383	323	Euromoney Pubs. 1p ♥	350	.....	18.5	♦	7.0	♦
•178	75	‡EW Fact 5p ♥	96	.....	†g3.5	1.9	4.9	10.4
195	116	Gardner D.C. 5p ♥	118	.....	†4.3	2.0	4.9	10.4
230	173	Haynes Pub 20p ♥	173	.....	10.0	1.8	7.7	8.9
255	153	Home Counties ♥	165	.....	†8.0	3.5	6.5	5.9
491	180	Independent ♥	215	.....	†Q64%	1.6	6.7	12.2
92	2	Int. Bus. Comms. 10p ♦	3	.....	m4.54	3.0	±	0.2
173	143	Johnston Press 10p ♥	160	.....	†4.5	3.4	3.8	9.6
234	133	Maxwell Comms. Corp ♣	150	−1	†15.0	1.0	14.0	(10.1)
131	113	‡Metal Bulletin 10p ♥	113	.....	†6.0	1.8	7.1	10.4
727	173	News Corp A$0.50	197	−1	Q10c	8.8	2.1	5.5
338	99	News Int. Spec. Div. ♦	107	−2	4.36	—	5.4	—
806	598	Pearson ♣	644	−16	†21.5	2.9	4.5	9.4
143	30	‡Plan Resch. & Sys 10p	30#	.....	13.5	2.5	15.6	2.9
315	235	Portsm'th & Sund. ♥	235	−5	†7.9	4.0	4.5	7.3
152	87	Quarto Group 10c ♥	87	.....	4.88	2.9	7.5	5.2
475	328	Reed International ♣	373	−4	†14.0	2.2	5.0	11.6
97	47	‡Scotinews 5p ♥	47	−2	†4.8	1.9	±	5.0
145	76	‡Sterling Pub. 5p ♥	76xd	.....	6.0	1.7	10.5	6.8
60	14	Summer Intl 20p	15#	.....	1.0	1.6	8.9	(8.4)
68	33	Do. 7.5pc Cv Pf 50p	33xd	.....	7.5	—	—	—
895	595	Thomson Corp[	735	−10	27.88	1.8	5.1	14.4
223	170	Trinity Int Hld 10p ♥	182	+3	†7.2	2.2	5.3	11.1
472	281	Utd. Newspapers ♣	291	−2	†21.0	1.7	9.6	8.1

PAPER, PRINTING, ADVERTISING

1990/91 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's	P/E
159	76	API Group ♥	80xd	+2	6.75	0.9	11.3	13.8
61	18	‡ATA Selection 5p ♥	18	.....	2.5	1.7	18.5	4.1
27	7	‡ATP Comms. 5p ♥	7	.....	—	—	—	5.4
276	170	Abbott Md Vicks 5p ♥	181	−4	†7.2	3.4	5.3	7.2
85	3	Acsis Group 10p ♥	3	−2	†1.0	5.2	—	0.6
27¼	10	Addison Consult 5p ♦	18	.....	†0.6	—	±	—

PROPERTY — Contd

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRANSPORT

PROPERTY

INVESTMENT TRUST

INVESTMENT TRUST — Contd

INVESTMENT TRUST — Contd

Net asset values supplied by County NatWest Wood Mackenzie

FINANCE, LAND, ETC

WATER

OIL AND GAS

OIL AND GAS — Contd

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Diamond and Platinum

Central African

Finance

Australians

MINES — Contd

1990/91 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's
7½	3	♥Croesus Mining N.L.	4	+½	—	—	—
34	16	♥Delta Gold 25c	19	.....	—	—	—
104	27	♥Dominion Mining	31	.....	Q4c	♦	5.5
12	11	Doral Resources	11	.....	Q1c	—	3.7
8	2	♥Dragon Mining	2	.....	—	—	—
88¾	37	♥Elders Resources	37	.....	aQ16.8c	2.8	17.2
164	20	♥Emperor Mines	28	.....	—	—	—
3	1½	♥Endeavour 20c	2½	.....	—	—	—
62	22	♥GM Kalgoorlie 5c	26½	−½	Q8c	1.6	9.9
86	31	♥Gwalia Cons. 20c	33	.....	—	—	—
78	21	♥Indonesian Diamond $2	40	.....	—	—	—
6½	1½	♥Jason Mining 20c	2	.....	—	—	—
6	0½	♥Julia Mines NL	1	.....	—	—	—
175	75	♥Kidston Gld Mis 20cts	82	−1	Q28c	1.0	13.9
136	40	♥Meekatharra 25c	51	.....	—	—	—
125	9	♥Metana Minerals N.L.	13	.....	—	—	—
119	59	♥MIM Hldgs 50c	62	+1	Q10c	2.0	6.8
36½	2	♥Moingo Australia 50c	3	.....	—	—	—
6	1	♥Mount Burgess 20c	1½	.....	—	—	—
129	40	♥Normandy Res NL	43	−2	—	—	—
145	72	♥N Bkn Hill Petro 50c	72	−2	Q11c	6.5	6.8
114	70	♥Pancont'l 25c	70	−1	Q3.5c	2.7	2.0
9	3	♥Paragon Resources NL	3	.....	—	—	—
118	56	♥Pasminco	56	−3	—	—	—
7	0½	Pelsart Res	0½	.....	—	—	—
170	113	♥Placer Pac. 30cts	126	−1	—	—	—
18½	8	♥Precious Metal Aust. 25c	10	.....	—	—	—
458	248	♥Renison 50c	248	−10	Q34c	1.9	5.8
2¼	0¼	Samson Exploration	1	.....	—	—	—
303	166	♥Sons Gwalia NL	213	.....	sQ60c	♦	12.3
27	1¼	♥Southern Pacific	18	−1	—	—	—
15	2	Stockbridge Ltd	3	.....	—	—	—
2½	0¼	♥Swan Res 20c	0½	.....	—	—	—
9	1	Tockanarra Mins	1	.....	—	—	—
332	152	Westn. Mining 50c	157	+3	Q30c	1.8	7.8
7½	1	♥Westralian Res Pro. 20c	2	.....	—	—	—

Tins

1990/91 High	Low	Stock	Price	+ or −	Div Net	C'vr	Y'ld Gr's
35	25	♥Ayer Hitam $M1	25	.....	Q17½c	—	13.1
75	45	Gopeng Berhad M$0.50	45	.....	Q11c	2.6	4.6
67	27	Malaysia Mng. 10c	29	.....	Q7c	2.3	4.5
160	130	Petaling $M1	130	.....	Q180c	—	26.0
90	90	Tanjong Tin 15p	90#	.....	—	—	—

Miscellaneous

NOTES

... on prospectus or other official estimates for 1990-91. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1991. K Dividend and yield based on prospectus or other official estimates for 1990. L Estimated annualised dividend, cover and P/E based on latest annual earnings. M Dividend and yield based on prospectus or other official estimates for 1991-92. N Dividend and yield based on prospectus or other official estimates for 1989-90. P Figures based on prospectus or other official estimates for 1991. Q Gross. R Forecast annualised dividend, cover and p/e based on prospectus or other official estimates. T Figures [redacted] W Pro forma figures. Z Dividend total to date.
Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

REGIONAL & IRISH STOCKS

The [redacted]ng is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or −
Craig & Rose £1 ♥	700	.....
Finlay Pkg. 5p ♥	38	.....
Holt (Jos) 25p ♥	1305	−5
Carrol (P.J.)	154	.....
Helton Hldgs ♥	43	.....
IRG	135	.....
United Drug	130	.....

IRISH

Stock	Price	+ or −
Cap. 8½% Ln. 1991	£98¾	.....
9pc Cap Ln. 1996	£93¼	.....
Fin. 13% 97/02	£109¾	.....
Arnotts	150	−5

TRADITIONAL OPTIONS
3-month call rates

Industrials	p
Allied-Lyons	40
Amstrad	6
Astec (BSR)	4½
BAT	46
BOC Grp	28
BTR	25
Barclays	30
Blue Circle	19
Boots	29
Bowaters	43
Brit Aerospace	45
British Steel	10½
Brit. Telecom	25
Cadburys	28
Charter Cons	38
Comm Union	40
Courtaulds	28
Eurotunnel	35
FKI	5
FNFC	20
Gen Accident	41
GEC	15
Glaxo	68
Grand Met	51
Guardian	17
GKN	27
Hanson	16
Hawker Sidd	35
ICI	70
Ladbr[illegible]ke	22
Legal & Gen	32
Lex Service	17
Lloyds Bank	24
Lucas Inds	11
Marks & Spencer	19
Midland Bk	16
Nat West Bk	21
P & O Dfd	44
Racal Elect	16
RHM	23
Rank Org Ord	52
Reed Intnl	32
STC	19
Sears	7½
SmKl. Beecham A	41
TI	35
TSB	11
Tesco	19
Thorn EMI	55
Trust Houses	[redacted]
T&N	13
Unilever	52
Vickers	16
Wellcome	33

Property	
Brit Land	[illegible]
Control Secs	3½
Land Securities	45
MEPC	38
Mountleigh	[illegible]

Oils	
Aviva Petlm	3½
Brit Petroleum	27
Burmah Castrol	46
Conroy Petlm	15
Gaelic Res	1½
Premier	7
Shell	37
Tuskar Res	2
Ultramar	29

Mines	
Lonrho	19
RTZ	48

FT MANAGED FUNDS SERVICE

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128

AUTHORISED UNIT TRUSTS

Guide to pricing of Authorised Unit Trusts

Compiled with the [illegible] Lautro [illegible]

INITIAL CHARGE: Charge made on sale of units. Used to defray marketing and administrative costs, including commission paid to intermediaries. This charge is included in the price of units.

OFFER PRICE: Also called issue price. The price at which units are bought by investors.

BID PRICE: Also called redemption price. The price at which units are sold back by investors.

CANCELLATION PRICE: The minimum redemption price. The maximum spread between the offer and bid prices is determined by a formula laid down by the government. In practice, most unit trust managers quote a much narrower spread. As a result, the bid price is often set above the cancellation price. However, the bid price might be moved to the cancellation price by the managers at any time, usually in circumstances in which there is a large excess of sellers of units over buyers.

TIME: The time shown alongside the fund manager's name is the time of the unit trust's valuation point unless another time is indicated by the symbol alongside the individual unit trust name. The symbols are as follows: (♥) - 0001 to 1100 hours; (♣) - 1101 to 1400 hours; (♦) - 1401 to 1700 hours; (♠) - 1701 to midnight. Daily dealing prices are set on the basis of the valuation point, a short period of time may elapse before prices become available.

HISTORIC PRICING: The letter H denotes that the managers will normally deal on the price set on the most recent valuation. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis. The managers must deal at a forward price on request, and may move to forward pricing at any time.

FORWARD PRICING: The letter F denotes that the managers deal at the price to be set on the next valuation. Investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper are the most recent provided by the managers.

SCHEME PARTICULARS AND REPORTS: The most recent report and scheme particulars can be obtained free of charge from fund managers.

Other explanatory notes are contained in the last column of the FT Managed Funds Service.

The Life Assurance and Unit Trust Regulatory Organisation,
Centre Point,
103 New Oxford Street, London WC1A 1QH
Tel: 071 – 379 – 0444.

FT MANAGED FUNDS SERVICE

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128

TSB Unit Trusts (1200)H

M & G Securities Ltd

MIM Ltd

Morgan Grenfell Unit Trust Managers Ltd

Murray Johnstone UT Mngmt

Phillips & Drew Fund Management Ltd

Target Trust Mngrs Ltd (1600)F

Templeton Unit Trust Managers Ltd (1200)F

NM Rothschild Asset Management Ltd

J. Rothschild Fund Managers Ltd

Stewart Ivory & Co Ltd

Thornton Unit Managers Ltd

Touche Remnant Unit Tst Mngt Ltd

Thornton Unit Managers Ltd (1000)F

Three Counties Asset Mngmt Ltd (1430)F

Timberlake Trust Mngrs Ltd (0900)F

Touche Remnant Unit Tst Mgt Ltd (1600)F

Trades Union Unit Tst Mngrs Ltd (1200)H

Triton Fd Mngrs. Ltd. (1000)H

United Charities Unit Trusts (1000)H

Wardley Unit Tst Mngrs Ltd (1300)F

Waverley Unit Tst Mngmt Ltd (1000)F

Wessex Asset Management (1330)F

Whittingdale Unit Tst Mgmt Ltd

Willbro Financial Services Ltd (0905)F

Wright Seligman Fund Mngrs Ltd (1700)F

The Yorkshire Unit Tst Mngrs Ltd (1100)F

OTHER UK UNIT TRUSTS

Baillie Gifford & Co Ltd

James Capel Fund Mngrs Ltd

Cent. Bd. of Fin. of Church of England

Charities/Charishares (1000)F

CAFINVEST-Charities Aid Foundation

CBIF-Charities Official Inv Fds

Edinburgh Fund Mngrs PLC

Fidelity Investment Services Ltd

Robert Fleming Asset Mngmt Ltd

Funds in Court

Henderson Unit Trust Management Ltd

Lazard Brothers & Co. Ltd

Lazard Investors Ltd

Local Authorities Mutual Invest. Tst.

INSURANCES

AA Friendly Society

Abbey Life Assurance Co Ltd

Acorn Life Assurance Co Ltd

Albany Life Assurance Co Ltd

Allied Dunbar Assurance Plc

Allied Dunbar Assurance Plc—Contd.

Ambassador Life Assce. Co Ltd

American Life Insurance Co UK

Avon Insurance Plc

Barclays Life Assur. Co Ltd

Black Horse Life Ass. Co Ltd

Britannia Life Ltd

CCL Assurance Ltd

Canada Life Group

Century Life Plc

Citicorp British National

City of Westminster Assurance (z)

Clerical Medical/Fidelity Investments

Clerical Medical Investments Group

Colonial Mutual Group

Combined Life Assurance Co

Commercial Union Group

Cornhill Insurance PLC

Cosmos Assurance Ltd (x)

Crown Financial Management Ltd

Crusader Insurance Plc

Eagle Star Insur./Midland Assur.

Eagle Star Life Assurance Co Ltd

Economic Insurance Company Ltd

Equitable Life Assurance Society

Equity & Law

Family Assurance Society

Friends Provident

GT Unit Managers Ltd

General Accident (x)

General Portfolio Life Insce Plc

Assicurazioni GENERALI SpA

Gresham Unit Assurance Ltd

Growth & Sec. Life Assce. Soc. Ltd

Guardian Royal Exchange

Guardian Royal Exchange—Contd.

Hearts of Oak Insurance Group

Henderson Administration

Hill Samuel Life Assur. Ltd

Homeowners Friendly Society

Ideal Insurance Co Ltd

Imperial Life Assurance Co Ltd

Irish Life Assurance Co Plc

Lancashire & Yorkshire Assce Society

Laurentian Life plc

Legal & General (Unit Assur) Ltd

Legal & General (Unit Pensions) Ltd

Liberty Life Assurance Co Ltd

The Life Association of Scotland

Lifetime Assurance Co Ltd

London Indemnity & Gnl. Ins. Co Ltd

London Life

London & Manchester Group

M & G Life and M & G Pensions

Manchester Unity Assurance

Merchant Investors Assurance Co Ltd

Merchant Investors Assurance Co Ltd — Contd.

Mercury Life Assurance Co Ltd

Midland Life Limited

NEL Britannia Assce Co Ltd

NEL Pensions Ltd

NM Life Assurance Ltd

Prices. Life Series 4 Acc. Pension Series C Acc Jan 10

Continued on next page

هكذا من الأجل

FT MANAGED FUNDS SERVICE

[illegible]rrent Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128

	Bid Price	Offer Price	+ or -	Yield Gross
N & P Life Assurance Ltd				
6-7 Bedford Row, London, WC1R 4UJ			071-430 2348	
Life Managed Fd	89.1	93.8	-0.1	-
Pension Managed Fd	85.4	89.9	...	-
Life Deposit Fd	103.5	109.0	...	-
Pension Deposit Fd	107.1	112.8	+0.1	-
National Financial Management Corp PLC				
72 Gatehouse Rd, Aylesbury, HP19 3XJ			0296 395539	
Life Funds				
Managed Cautionary	99.1	104.4	-0.7	-
Managed Growth	118.7	125.0	-1.0	-
Managed Opportunity	114.6	120.7	(z)	-
NFMC Target Financial	84.6	89.1		-
Pension Funds				
Managed Cautionary	106.4	112.0	+0.9	-
Managed Growth	124.9	131.5	+0.5	-
Managed Opportunity	115.6	121.7	+0.2	-
NFMC Target Mngd Pens	1305.2	1373.9	-4.1	-
National Mutual Life				
The Priory, Priory Pk, Hitchin, SG5 2[illegible]			[illegible] 422422	
[illegible] Funds	139.0	146.4	...	-
[illegible]	144.1	151.7	...	-
[illegible]	108.5	114.3	...	-
[illegible] Equity	135.9	143.1	...	-
Fixed [illegible]	125.2	131.8	...	-
Property	143.5	151.1	...	-
Index [illegible]	148.6	156.5	...	-
Deposit	124.8	131.3	...	-
With Profits (B)				
National Provident Institution				
48 Gracechurch St, London EC3P 3HH			071-623 4200	
Managed	303.8	319.8	-0.5	-
UK Equity	379.5	399.5	-1.1	-
Overseas Eq	283.1	298.0	...	-
Americas	211.8	223.0	-3.3	-
Far East	288.9	304.2	+1.6	-
Property	193.3	203.5	+0.1	-
Fixed Int	244.4	257.3	+0.6	-
Indexed Gilt	149.5	157.4	+0.2	-
Deposit	174.9	184.2	+0.1	-
Pension Fund (Accum Units)				
Managed	422.6	[illegible]	-0.4	-
UK Equity	487.0	[illegible]	-1.2	-
Overseas Eq	462.9	[illegible]	+0.2	-
Americas	278.0	[illegible]	-1.4	-
Far East	487.6	[illegible]	+3.3	-
Property	240.8	[illegible]	+0.1	-
Fixed Int	298.9	314.7	+0.8	-
Indexed Gilt	164.7	173.4	+0.2	-
Deposit	242.0	254.8	+0.1	-
NPI Pension Management Ltd				
Managed Fund	948.3	965.2	...	-
Prices Dec 31 Next dealing Feb 1				
Norwich Union Asset Management Ltd				
PO Box 140, Norwich NR3 1PP			0603 684787	
NUAM Funds				
Managed Fund	61.6	[illegible]	..	-
Stock Market Mngd Fund	57.9	[illegible]	-0.1	-
Equity Fund	66.3	[illegible]		-
International Fund	50.0	[illegible]	+0.1	-
European Fund	57.5	[illegible]	+0.3	-
North American Fund	52.8	[illegible]	+0.2	-
Pacific Fund	54.0	[illegible]		-
Property Fund	86.0	[illegible]	+0.2	-
Fixed Interest Fund	55.8	[illegible]		-
Index Linked Sec Fund	60.6	[illegible]	..	-
Deposit Fund	67.1	[illegible]		-

	Bid Price	Offer Price	+ or -	Yield Gross
Prosperity Life Assurance Ltd				
1 Sessions Hse Sq, Maidstone ME14 1XX			0622 690555	
Initial Equity	136.5	144.0	-0.5	-
Accum Equity	192.5	203.0	-1.0	-
Accum Managed	197.0	208.0		-
Accum Five Star	[illegible]	155.0	...	-
Accum World	[illegible]	112.0		-
Accum Lifetime	[illegible]	99.8	-0.2	-
Pens Acc Equity	[illegible]	211.5	-1.0	-
Pens Acc Managed	[illegible]	249.0		-
Pens Acc Intl	[illegible]	173.5		-
Pens Acc Deposit	[illegible]	200.0		-
Pens Acc Five Star	[illegible]	162.0		-
Providence Capital Life Assc. Co Ltd				
2 Bartley Way, Hook, Hants RG27 9XA			0256 768888	
UK Equity Acc	194[illegible]	205.[illegible]	+0.2	-
UK Fixed Int Acc	165.5	174.[illegible]	-0.1	-
Intl Equities Acc	146.3	154.[illegible]	+0.3	-
UK Managed Acc	154.5	162.[illegible]	+0.1	-
Property Acc	223.8	236.1	+0.1	-
Money Acc	124.6	131.5		-
Special Market Acc	117.6	124.1	-0.8	-
Japan Equity Acc	85.2	89.9	+0.3	-
North American Acc	81.0	85.5	-1.7	-
Pacific Acc	72.8	[illegible]	+0.1	-
Technology Acc	89.3	[illegible]	-1.2	-
Nat Resources Acc	54.5	[illegible]	-0.2	-
European Acc	87.5	[illegible]	+0.7	-
Residential Prop Acc	95.9	101.2		-
Swiss Equities Acc	29.9	31.3		-
Hong Kong Acc	46.8	49.4	-0.1	-
UK High Inc Eq Acc	62.7	66.2	-0.2	-
Int Fixed Interest Acc	53.4	56.4		-
Int Managed Acc	49.5	52.2	+0.1	-
HIP Managed Acc	99.8	105.2	-0.2	-
HIP Managed II Acc	86.4	91.1	-0.2	-
Total Investment Bond				
UK Equity Initial		133.0		-
UK Fixed Int Initial		113.3	-0.1	-
Intl Equities Initial		99.5	+0.2	-
UK Managed Initial		105.8		-
Property Initial		154.4	+0.1	-
Money Initial		85.8	+0.1	-
Special Market Initial		91.8	-0.7	-
Japan Equity Initial		66.5	+0.2	-
North American Initial		63.3	-1.2	-
Pacific Initial		56.8	+0.1	-
Technology Initial		69.7	-0.9	-
Nat Resources Initial		42.5	-0.2	-
European Initial		78.8	+0.5	-
Residential Prop Init		92.1		-
Swiss Equities Initial		28.4	-0.1	-
Hong Kong Initial		45.0	-0.1	-
UK High Inc Eq Init		60.2	-0.2	-
Int Fixed Interest Init		52.1	+0.1	-
Int Managed Init		48.3	+0.1	-
HIP Managed Init		97.5	-0.2	-
HIP Managed II Initial		85.7	-0.1	-
Broker Funds				
High Performance	59.8	63.0	-0.1	-
Towerhill Mngd Fd Acc	34.0	35.8	+0.8	-
YRA Executive Fd	81.2	85.6	-0.1	-
£ Global Growth Acc	107.4	113.2	+0.3	-
£ High Income Money Acc	135.1	142.5		-
IM Balanced		46.7	+0.3	-
H F Speculator Fd		109.7	-1.3	-
PEP Acorn II		102.9	+0.4	-
PEP Cautionary		67.3		-
AAFS Int Man Fund		108.5	+1.2	-
Andrews-Green Inc Port		72.2	+0.1	-
Individual Pension Funds				
UK Equity Acc	211.1	222.7	+0.2	-
UK Fixed Interest Acc	207.1	218.5	-0.2	-
Intl Equities Acc	185.0	195.2	+0.4	-
UK Managed Acc	167.2	176.3	+0.1	-
Property Acc	198.7	209.7	..	-
Money Acc	154.1	162.6		-
Special Market Acc	184.9	195.1	-1.4	-
Japan Equity Acc	135.0	142.5	+0.5	-

	Bid Price	Offer Price	+ or -	Yield Gross
Chase de Vere PLC				
63 Lincoln's Inn Fields, London WC2A 3JX			071-404 5766	
New Trust Fd	97.7	102.8	+0.1	-
Safeguard Fd	91.4	96.3	+0.8	-
United Kingdom Fd	135.6	142.4	-0.9	-
Worldwide Fd	96.0	101.0	-1.3	-
Drummond Moores Plc				
Brabazon Hse, High St, Redhill, Surrey			0737 778580	
Pntr Man Fd (Target) Pens	79.2	83.4	+0.6	-
NMC Pnr Fd Skan Fund	152.1	160.1	...	-
ECU Futures Plc				
ECU Shannon Funds		70.0	-8.0	-
ECU Omega Funds		174.0	-2.0	-
Edinburgh Money Management Ltd				
41a Charlotte Square, Edinburgh EH2 4HQ			031 220 1244	
Select Portfolio	31.7	33.4	+0.2	-
Fairmount Glen Reijs Ltd				
Castle Hse, London Rd, Tunbridge Wells			0892 515051	
Secure		101.7	...	-
Growth		94.7	...	-
Gartmore Fund Managers Ltd				
Safeguard, underwritten by General Portfolio Life Ass. Admin. 0992 31971, Enq. 071-623 1212				
Safeguard Fund	121.5	23.4	(u)	-
Hurstmaster Financial Services(Pty) Ltd				
HFS Sen All Int Mgd Stg	£1.00	1.07	..	-
HFS Sen All Int Mgd	$1.40	1.49	...	-
HFS General Mngd Fd	113.0	118.9	...	-

	Init Charge	Canc. Price	Bid Price	Offer Price	+ or -	Yield Gr's
Guinness Flight Fd Mngrs - Contd.						
	4		$- 60.04	63.63	+0.86	1.37
Global Equity Fund	4		$- 19.01	20.20	-0.11	-
American Blue Chip Fd	4		$- 21.00	22.11	-0.17	-
American Smllr Cos Fd	4		$- 18.26	19.41	+0.20	3.00
UK Fund	4		$- 19.31	20.27	+0.05	-
ASEAN Fd	4		$- 18.93	19.96	-0.12	-
Australasia Fund	4		$- 18.97	[illegible]13	+0.16	-
Hong Kong Fund	4		$- 17.97	[illegible]02	+0.32	-
Japan Fund	4		$- 18.00	[illegible]00	+0.17	-
Japan Smllr Cos Fd F	4		$- 67.06	[illegible]06	+0.59	0.38
Japan & Pacfc Fd	4		$- 87.[illegible]	92.92	+2.05	0.77
European Fund	4		$- 29.74	31.54	-0.18	0.55
Global Energy Fund	4		$- 20.29	21.39	+0.23	-
Global Gold Fd	4		$- 54.79	58.08	+0.82	0.17
Global Leisure Fund	4		$- 21.78	23.01	+0.81	0.39
Global Technology Fund	4					
Hambros Fd Mgrs (CI) Ltd						
PO Box 255, Guernsey				0481 715454		

SOVEREIGN (REGULATED)

OFFSHORE INSURANCES

MANAGEMENT SERVICES

OFFSHORE AND OVERSEAS

BERMUDA (SIB RECOGNISED)

CANADA (SIB RECOGNISED)

GUERNSEY (SIB RECOGNISED)

GUERNSEY (REGULATED)

هكذا من الأصل

FT MANAGED FUNDS SERVICE

● Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 071-925-2128

IRELAND (SIB RECOGNISED)

IRELAND (REGULATED)(**)

ISLE OF MAN (SIB RECOGNISED)

ISLE OF MAN (REGULATED)(**)

JERSEY (SIB RECOGNISED)

JERSEY (REGULATED)(**)

LUXEMBOURG (SIB RECOGNISED)

LUXEMBOURG (REGULATED)(**)

SWITZERLAND (SIB RECOGNISED)

OTHER OFFSHORE FUNDS

MANAGED FUNDS NOTES

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar firm but below best

[illegible] DOLLAR finished in London well above the previous day's close, but down from [illegible] levels touched in New York [illegible] Wednesday. Trading [illegible] nervous, with the [illegible] closing towards the [illegible] of its [illegible] in Europe, but failing to attack the DM1.54 [illegible] in New York on Wednesday following news that the US and Iraq had [illegible] [illegible] on a [illegible] of the Gulf dispute.

In [illegible] the Japanese [illegible] the dollar was [illegible] firm, but did [illegible] near [illegible] the Y137 touched in [illegible] York on Wednesday.

[illegible] early optimism about a successful conclusion to [illegible] Gulf [illegible] proved [illegible] misplaced, the [illegible] surge, [illegible] back [illegible] a fairly [illegible] trading yesterday. The threat [illegible] kept underlying [illegible] very firm and [illegible] in the [illegible] Union [illegible] support [illegible] the dollar, [illegible] President Mikhail Gorbachev warned Lithuania to [illegible] in line with Soviet law or [illegible] rule from [illegible].

[illegible] current circumstances [illegible] market is not prepared [illegible] short of dollars and was prepared [illegible] ignore [illegible]mic factors, such as a probable easing of [illegible] Federal Reserve's monetary [illegible] earlier [illegible] week.

The [illegible] drained liquidity in [illegible] yesterday, [illegible] Federal funds were trading [illegible] per cent at the time - below the [illegible] new [illegible] of [illegible] per [illegible] - and this did not conflict with the [illegible] that [illegible] Fed has eased.

At the London close the dollar had climbed [illegible] DM1.5315 from DM1.5130; [illegible] from Y134.00; [illegible] from SFr1.2735; and [illegible] FFr5.1950 from [illegible] Bank [illegible] England figures [illegible] dollar's index rose to 61.8 from 61.5.

Sterling improved against [illegible] partners [illegible] the European Monetary System, but [illegible] dragged down by a weaker D-Mark against the dollar [illegible] Japanese yen.

High London [illegible] and [illegible] position [illegible] an oil producer during the Gulf [illegible] provided support, but the pound [illegible] generally [illegible] the [illegible] with [illegible] dollar [illegible] the cross rate between the D-Mark and yen.

Sterling fell 2.05 cents to $1.9060 in London. It also declined to Y256.50 from Y258.25, but rose [illegible] from DM2.9150; to [illegible] from FFr9.8925; and to SFr2.4550 from SFr2.4525. The pound's index shed 0.2 [illegible] 93.8.

Within the EMS exchange [illegible] mechanism the French franc [illegible] the weakest currency, slightly below sterling. The [illegible] of the D-Mark helped keep [illegible] off the system. Concern about unrest in [illegible] Soviet Union weighed on the D-Mark, while a sharp decline [illegible] Germany's November current [illegible] surplus [illegible] DM1.3bn from DM6.6bn [illegible] another depressing factor.

At [illegible] London close [illegible] value against the yen had [illegible] Y87.85 from Y88.55.

EMS EUROPEAN CURRENCY UNIT RATES

	Ecu Central Rates	Currency Amounts Against Ecu Jan 10	% Change from Central Rate	% Spread vs Weakest Currency	Divergence Indicator
Spanish Peseta	133.631	129.231	-3.29	4.23	58
Belgian Franc	42.4032	42.2287	-0.41	1.22	23
D-Mark	2.05586	2.04924	-0.32	1.13	25
Dutch Guilder	2.31643	2.31022	-0.27	1.07	17
Irish Punt	0.767417	0.767146	-0.04	0.84	5
Italian Lira	1538.24	1541.62	0.22	0.58	-7
Danish Krone	7.84195	7.88917	0.60	0.20	-24
Sterling	0.696904	0.701792	0.70	0.10	-14
French Franc	6.89509	6.95038	0.80	0.00	-40

Ecu central rates set by the European Commission. Currencies are in descending relative strength. Percentage changes are for Ecu; a positive change denotes a weak currency. Divergence shows the ratio between two spreads: the percentage difference between the actual market and Ecu central rates for a currency, and the maximum permitted percentage deviation of the currency's market rate from its Ecu central rate.
Adjustment calculated by Financial Times.

£ IN NEW YORK

Jan 10	Latest	Previous Close
£ Spot	1.9055-1.9065	1.8990-1.9000
1 month	1.11-1.09pm	1.09-1.08pm
3 months	2.99-2.96pm	2.89-2.86pm
12 months	9.25-9.15pm	9.05-8.98pm

Forward premiums and discounts apply to the US dollar

STERLING INDEX

	Jan 10	Previous
8.30 am	93.8	93.7
9.00 am	93.8	[illegible]
10.00 am	93.8	[illegible]
11.00 am	93.7	[illegible]
Noon	93.8	[illegible]
1.00 pm	93.8	[illegible]
2.00 pm	93.7	93.8
3.00 pm	93.8	[illegible]
4.00 pm	93.8	[illegible]

CURRENCY MOVEMENTS

Jan 10	Bank of England Index	Morgan** Guaranty Changes %
Sterling	93.8	-18.4
U.S. Dollar	61.8	-17.7
Canadian Dollar	102.8	+0.4
Austrian Schilling	110.4	+12.2
Belgian Franc	112.2	-1.6
Danish Krone	110.5	+4.8
D-Mark	119.7	+25.9
Swiss Franc	116.1	+24.8
Dutch Guilder	115.3	+16.9
French Franc	104.6	-11.9
Lira	99.7	-19.4
Yen	131.1	+66.2

Morgan Guaranty changes: average 1980-1982=100. Bank of England Index (Base Average 1985=100). **Rates are for Jan.9.

CURRENCY RATES

Jan 10	Bank rate %	Special * Drawing Rights	European † Currency Unit
Sterling	-	0.739424	0.701792
U.S. Dollar	7	1.41304	1.34113
Canadian $	12.82	1.63905	1.54363
Austrian Sch	6½	15.2695	14.4198
Belgian Franc	10½	44.5377	42.2287
Danish Krone	9½	8.37368	7.88917
D-Mark	6.00	2.16124	2.04924
Dutch Guilder	7.25	2.42520	2.31022
French Franc	10¼	7.34004	6.95038
Italian Lira	12½	1625.35	1541.62
Japanese Yen	6	193.375	180.918
Norway Krone	8	8.50367	8.01188
Spanish Peseta	-	137.095	129.231
Swedish Krona	11	N/A	7.63905
Swiss Franc	6.00	1.81576	1.72066
Greek Drach	20½	N/A	215.532
Irish Punt	-	N/A	0.767146

† European Commission Calculations.
* All SDR rates are for Jan.9

POUND SPOT - FORWARD AGAINST THE POUND

Jan 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
US	1.9025 - 1.9190	1.9055 - 1.9065	1.10-1.08cpm	6.86	2.97-2.94pm	6.20
Canada	2.1910 - 2.2065	2.1960 - 2.1970	0.48-0.39cpm	2.38	1.40-1.26pm	2.42
Netherlands	3.2840 - 3.2975	3.2850 - 3.2950	1¼-1⅛cpm	4.79	3⅜-3¼pm	4.10
Belgium	59.85 - 60.40	[illegible] - 60.20	23-20cpm	4.29	58-50pm	3.59
Denmark	11.2075 - 11.2575	[illegible] - 11.2550	3¾-3¼orepm	3.8	9¼-8½pm	3.18
Ireland	1.0915 - 1.0940	1.0930 - 1.0940	0.38-0.30ppm	3.73	0.76-0.62pm	[illegible]
Germany	2.9120 - 2.9230	2.9175 - 2.9225	1⅛-1⅛pfpm	4.88	3⅛-3pm	4.20
Portugal	260.50 - 262.90	261.80 - 262.80	70-40cpm	2.52	40-26pm	0.50
Spain	183.35 - 184.45	183.70 - 184.00	10-19cdis	-0.95	39-51dis	-0.98
Italy	2190.00 - 2201.55	2195.25 - 2196.25	4-2lirepm	1.64	10-8pm	1.64
Norway	11.3890 - 11.4295	11.4125 - 11.4225	3-2½orepm	2.89	6¾-6¼pm	2.23
France	9.8835 - 9.9225	9.8975 - 9.9075	3¼-3⅛cpm	3.94	8⅝-8⅛pm	3.36
Sweden	10.8610 - 10.8985	10.8725 - 10.8825	par-¼oredis	-0.14	1½-2dis	-0.64
Japan	256.00 - 258.90	256.00 - 257.00	1⅜-1¼ypm	6.14	3⅝-3½pm	5.56
Austria	20.49 - 20.58	20.53 - 20.56	8⅞-6¼gropm	4.36	22½-19¼pm	4.05
Switzerland	2.4430 - 2.4600	2.4500 - 2.4600	1⅛-1cpm	5.19	3-2¾pm	4.79
Ecu	1.4115 - [illegible]	1.4160 - [illegible]	0.47-0.43cpm	[illegible]	1.14-1.07pm	3.12

[illegible] rates taken towards the end of London trading. Six-month forward dollar 5.41-5.36cpm 12 [illegible]

DOLLAR SPOT - FORWARD AGAINST THE DOLLAR

Jan 10	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.9025 - 1.9190	1.9055 - 1.9065	1.10-1.08cpm	6.86	2.97-2.94pm	6.20
Ireland†	1.7415 - [illegible]	1.7440 - 1.7460	0.58-0.53cpm	3.82	1.74-1.64pm	3.88
Canada	1.1500 - [illegible]	1.1520 - 1.1530	0.42-0.45cdis	-4.53	1.08-1.13dis	-3.84
Netherlands	1.7100 - [illegible]	1.7255 - 1.7265	0.29-0.33cdis	-2.16	0.88-0.93dis	-2.10
Belgium	31.25 - [illegible]	31.50 - 31.60	6.00-7.50cdis	-2.57	18.00-23.00dis	-2.60
Denmark	5.8435 - [illegible]	5.9000 - 5.9050	1.45-1.65oredis	-3.15	4.25-4.85dis	-3.08
Germany	1.5135 - [illegible]	1.5310 - 1.5320	0.23-0.25pfdis	-1.88	0.77-0.79dis	-2.04
Portugal	136.90 - [illegible]	137.10 - 137.20	35-50cdis	-3.72	190-220dis	-5.98
Spain	95.90 - [illegible]	96.55 - 96.65	60-63cdis	-7.64	173-181dis	-7.33
Italy	1140.00 - [illegible]	1151.75 - 1152.25	4.60-5.20liredis	-5.10	13.50-14.50dis	-4.86
Norway	5.9380 - [illegible]	5.9875 - 5.9925	1.80-2.15oredis	-3.96	5.75-6.15dis	-3.97
France	5.1500 - [illegible]	5.1925 - 5.1975	1.21-1.126cdis	-2.70	3.72-3.82dis	-2.90
Sweden	5.6700 - [illegible]	5.7050 - 5.7100	3.05-3.45oredis	-6.83	9.10-9.80dis	-6.62
Japan	134.45 - [illegible]	134.50 - 134.60	0.09-0.10ydis	-0.85	0.21-0.24dis	-0.67
Austria	10.6750 - [illegible]	10.7600 - 10.7680	1.75-2.20grodis	-2.20	4.95-6.15dis	-2.06
Switzerland	1.2735 - [illegible]	1.2870 - 1.2880	0.16-0.20cdis	-1.68	0.42-0.47dis	-1.38
Ecu	1.3460 - [illegible]	1.3465 - 1.3475	0.36-0.33cpm	3.07	1.07-1.00pm	3.07

Commercial rates taken towards the end of London trading. † UK, Ireland and ECU are quoted in US currency. Forward premiums and discounts apply to the US dollar and not to the individual currency.

EURO-CURRENCY INTEREST RATES

Jan 10	Short term	7 Days notice	One Month	Three Months	Six Months	One Year
Sterling	13¾ - 13½	13⅞ - 13⅝	14⅛ - 14	13⅞ - 13¾	13½ - 13⅜	13 - 12⅞
US Dollar	6½ - 6¼	7¼ - 6⅞	7⅝ - 7½	7⅝ - 7½	7⅝ - 7½	7⅝ - 7½
Can. Dollar	11⅞ - 11⅝	12 - 11⅝	11⅝ - 11½	11⅛ - 10⅞	10⅞ - 10¾	10⅝ - 10½
Dutch Guilder	9⅛ - 8⅞	9⅛ - 8⅞	9⅛ - 9⅛	9⅛ - 9⅛	9⅛ - 9⅛	9⅛ - 9⅛
Swiss Franc	9 - 8¾	9 - 8¾	8⅞ - 8⅞	8⅞ - 8⅞	8⅞ - 8⅞	8⅝ - 8½
D-Mark	8¾ - 8½	8¾ - 8½	8⅞ - 8⅞	9⅛ - 9⅛	9⅛ - 9⅛	9⅛ - 9⅛
French Franc	10⅛ - 9⅞	10⅛ - 9⅞	10⅛ - 9⅞	10⅛ - 10⅛	10⅛ - 10⅛	10⅛ - 10⅛
Italian Lira	13 - 11	12½ - 11½	12½ - 11⅞	12⅝ - 11⅞	12⅝ - 12⅜	12⅝ - 12⅜
Belgian Franc	9⅞ - 9⅞	9⅞ - 9⅞	10 - 9¾	10⅛ - 9⅞	10¼ - 10	10⅛ - 10⅛
Yen	8⅛ - 7⅞	8⅛ - 7⅞	8¼ - 8	8⅛ - 8⅛	7⅞ - 7¾	7⅝ - 7½
Danish Krone	10¼ - 10	10¼ - 10	10½ - 10¼	10½ - 10¼	10½ - 10¼	10½ - 10¼
Asian $Sing	7⅛ - 7⅛	7⅛ - 7⅛	7⅛ - 7⅛	7⅛ - 7⅛	7⅛ - 7⅛	8 - 7⅞

Long term Eurodollars: two years 7⅞-7¾ per cent; three years 8⅛-8⅛ per cent; four years 8⅜-8¼ per cent; five years [illegible] per cent nominal. Short term rates are call for US Dollars and Japanese Yen; others, two days' notice.

OTHER CURRENCIES

EXCHANGE CROSS RATES

Yen per 1,000: French Fr. per 10; Lira per 1,000; Belgian Fr. per 100.

* Selling rate

MONEY MARKETS

London rates firm

[illegible] higher in London yesterday with the longer end of the market particularly firm following [illegible] failure [illegible] talks [illegible] US and Iraq to [illegible] Gulf [illegible].

T[illegible] the optimism [illegible] on Wednesday when it [illegible] hoped that a peaceful solu[illegible] in [illegible] might [illegible] an early reduction in [illegible].

Three-month sterling interbank [illegible] 13⅞-13¾ [illegible] 13⅞-13¾ [illegible] 12-month money firmed to 13⅛-12⅞ per cent from 12⅞-12¾.

UK clearing bank base lending rate 14 per cent from October 8, 1990

Sentiment weakened on Liffe with [illegible] collapse [illegible] the Gulf talks. March [illegible] sterling futures opened at the day's high of 87.00 and quickly fell through support at [illegible] to a low [illegible] 86.85. This [illegible] just [illegible] the [illegible] support point of 86.82. The [illegible] 86.92 compared with 87.11 on Wednesday.

On the London money market the Bank of England initially [illegible] a day-to-day credit shortage of £500m, but [illegible] this to £700m [illegible] noon.

Total help of [illegible] was provided. Before lunch the authorities bought £503m bills outright, by way of £5m Treasury bills in band 2 at 13¾ per cent and £498m bank bills in band 2 at 13¾ per cent. In the afternoon £107m bank bills were purchased in band 2 at 13¾ per cent.

Bills maturing in [illegible] hands, repayment [illegible] and a take-up [illegible] Treasury bills drained £1,029m, with the unwinding of bill repurchase agreements absorbing £1,173m and a [illegible] in the [illegible] circulation £15m. These outweighed exchequer transactions adding £1,670m [illegible] liquidity and [illegible] above target [illegible].

In Frankfurt call money was steady at 8.55 per cent, remaining above the Bundesbank's Lombard [illegible] funding [illegible] 8.50 [illegible].

Dealers [illegible] continued to use their Lombard borrowing [illegible] in order to build up [illegible] holdings, fearing that [illegible] move higher later in the month. The draining [illegible] DM3.8bn from a tight market by [illegible] Bundesbank at [illegible] week's securities repurchase [illegible] was regarded by some traders as a warning [illegible] authorities will tighten monetary policy [illegible].

Lombard borrowings [illegible] at DM13.8bn on Wednesday, rising from DM7.6bn on Tuesday. This was the highest [illegible] for almost 11 months.

FT LONDON INTERBANK FIXING

(11.00 a.m. Jan 10) 3 months US dollars		6 months US Dollars	
bid 7⅝	offer 7¾	bid 7⅝	offer 7¾

The fixing rates are the arithmetic means rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted to the market by five reference banks at 11.00 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque National de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK — Treasury Bills and Bonds

Lunchtime					
Prime rate	9½	One month	6.68	Three year	7.35
Broker loan rate		Two month	6.65	Four year	7.62
Fed.funds	6⅞	Three month	6.40	Five year	7.77
Fed funds at intervention	-	Six month	6.56	Seven year	8.06
		One year	6.61	10-year	8.19
		Two year	7.11	30-year	8.40

Jan 10	Overnight	One Month	Two Months	Three Months	Six Months	Lombard Intervention
Frankfurt	8.50-8.60	8.90-9.00	9.10-9.20	9.20-9.35	9.35-9.50	8.50
Paris	9⅞-10⅛	-	-	-	-	9.25
Zurich	7¾-8⅛	8⅞-9	-	8⅞-8⅞	-	-
Amsterdam	8.75-8.87	9.25-9.35	-	9.46-9.56	-	-
Tokyo	8-8⅛	[illegible]	-	8⅛-8⅛	-	-
Milan	12½-12¾	[illegible]	-	13-13⅛	-	-
Brussels	7.70	9⅞-10	-	9⅞-10⅛	-	-
Dublin	10⅝-10¾	11⅛-11¼	11⅛-11⅜	11⅜-11½	11½-11⅝	-

LONDON MONEY RATES

Jan 10	Overnight	7 days notice	One Month	Three Months	Six Months	One Year
Interbank Offer	14	14	14⅛	14	13⅞	13⅛
Interbank Bid	12	13⅞	14	13⅞	13⅞	12⅞
Sterling CDs	-	-	14⅛	13⅞	13⅞	12⅞
Local Authority Deps.	13⅞	13⅞	14⅛	13⅞	13⅞	13
Local Authority Bonds	-	-	-	-	-	-
Discount Mkt Deps	13⅞	13⅞	13⅞	13	-	-
Company Deposits	-	-	14⅛	13⅞	13½	13
Finance House Deposits	-	-	14⅛	13⅞	13½	13
Treasury Bills (Buy)	-	-	13⅞	13⅞	-	-
Bank Bills (Buy)	-	-	13⅞	13⅝	12⅝	-
Fine Trade Bills (Buy)	-	-	14⅛	14	13¼	-
Dollar CDs	-	-	7.22	7.35	7.35	7.45
SDR Linked Dep. Offer	-	-	[illegible]	8⅞	8⅞	8⅞
SDR Linked Dep. Bid	-	-	[illegible]	8⅞	8⅞	8⅞
ECU Linked Dep Offer	-	-	[illegible]	10⅝	10⅝	10⅝
ECU Linked Dep. Bid	-	-	10[illegible]	10⅝	10⅛	10⅛

Treasury Bills (sell); [illegible] 13⅞ per cent; [illegible] 13⅞ per cent, six months 12⅞ per cent; Bank Bills (sell); one-month 13⅞ per cent; three months 13⅞ per cent; Treasury Bills: Average tender rate of discount 13.0782 p.c. ECGD Fixed Rate Sterling Export F[illegible] Make up day December 31, 1990. Agreed rates for period Jan 26, 1991 to Feb 25, 1991, Scheme I: 14.54 p.c., Schemes II & III: 15.09 p.c. Reference rate for period Dec 1, 1990 to Dec 31, 1990, Scheme IV&V: 13.843 p.c. Local Authority and Finance Houses [illegible] others seven days' fixed. Finance Houses Base Rate 14 from January 1, 1991. Bank Deposit Rates for sums at seven days notice 4 per cent. Certificates of Tax Deposit (Series 6); Deposit £100,000 and over held under one month 10½ per cent; one-three months 12 per cent; three-six months 12 per cent; six-nine months 12 per cent; nine-twelve months 11½ per cent; Under £100,000 10½ per cent from Oct 8, 1989. Deposits withdrawn for cash 5 per cent.

FINANCIAL FUTURES AND OPTIONS

CAC-40 FUTURES (MATIF) [illegible] index

	Open	Close	Change	High	Low	Open Int.
January	1512.0	1508.0	-33.0	1530.0	1508.0	6,938
February	1528.0	1535.0	-36.0	1536.0	1528.0	447
March	1539.0	1545.5	-35.5	1545.5	1538.0	210
June	-	-	-	-	-	0

Estimated volume 7,658 Total Open Interest 7,595

BASE LENDING RATES

	%		%		%
ABN Bank	14	Co-operative Bank	14	Nat Bk. of Kuwait	15
Adam & Company	14	Coutts & Co	14	[illegible]Westminster	14
Allied Trust Bank	14	Cyprus Popular Bk	14	Northern Bank Ltd	14
AIB Bank	14	Dunbar Bank PLC	14	Nykredit Mortgage Bank	14½
● Henry Ansbacher	14	Duncan Lawrie	14	Provincial Bank PLC	15
Associates Cap Corp	15½	Equatorial Bank plc	14	Roxburghe [illegible]	14½
● B & C Merchant Bank	14	Exeter Bank Limited	14½	Royal Bk of [illegible]	14
Bank of Baroda	14	Financial & Gen. Bank	14	Royal Trust Bank	[illegible]
Banco Bilbao Vizcaya	14	First National Bank Plc	16	● Smith & Williamson Secs.	14
Bank Credit & Comm	14	● Robert Fleming & Co.	14	Standard Chartered	14
Bank of Cyprus	14	Robert Fraser & Ptnrs.	14½	TSB	14
Bank of Ireland	14	Girobank	14	Unibank plc	14
Bank of India	14	● Guinness Mahon	14	● United Bk of Kuwait	14
Bank of Scotland	14	● Hambros Bank	14	United Mizrahi Bank	14
Banque Belge Ltd	14	Hampshire Trust Plc	14½	Unity Trust Bank Plc	14
Barclays Bank	14	Heritable & Gen Inv Bnk	14	Western Trust	14
Benchmark Bank	14	● Hill Samuel	14	Westpac Bank Corp.	14
Brit Bk of Mid East	14	C. Hoare & Co.	14	Whiteaway Laidlaw	14
● Brown Shipley	14	Hongkong & Shanghai	14	Yorkshire Bank	14
CL Bank Nederland	14	● Leopold Joseph & Sons	14		
● Charterhouse Bank	14	Lloyds Bank	14		
Citibank NA	14	Meghraj Bank Ltd	14		
City Merchants Bank	14	McDonnell Douglas Bnk	14		
Clydesdale Bank	14	Midland Bank	14		
Comm.Bk.of London Plc	14	Mount Banking	14		

● Members of British Merchant Banking & Securities Houses Association.

MONEY MARKET FUNDS

Money Market Trust Funds

Money Market Bank Accounts

JOTTER PAD

CROSSWORD

No.7,439 Set by HIGHLANDER

ACROSS

1 Kipling's hero put on old eastern clothing (6)
4 Notice connection [illegible] is cut (8)
[illegible] [illegible] simply [illegible] I [illegible] in [illegible] city (6)
10 Shut [illegible] of [illegible] European delegation in a small private room [illegible]
11 Ride [illegible] an hour [illegible] unknown [illegible]
12 [illegible] lives on [illegible] – [illegible] a view, one [illegible]
13 [illegible]
[illegible] A [illegible] for [illegible]
17 Union reunion – country style [illegible]
[illegible] Worked up [illegible] parking Rover (6)
[illegible] Modest [illegible] – something [illegible] (3)
26 [illegible] outrageously in [illegible] to [illegible] (8)
[illegible] Organised peak turnover from flat (6)
28 Run-in requires guts [illegible]
29 Mechanic would [illegible] appropriate (6)
30 Very French: you're saying there's a hidden fortune? (8)
31 For example prize includes first-grade container of food [illegible]

DOWN

[illegible] A reminder – observe what orientals drink (8)
[illegible] Something distorted by wrong emphasis (8)
3 No interminable hesitation; not [illegible] (2,6)
[illegible] Layabout: everything [illegible] (6)
6 After this month take over the French station (6)
[illegible] [illegible] cracking – you've achieved nothing by sex [illegible]
8 Fagin's artful talent [illegible] was a shifty so-and-so (6)
12 Choose an opening sound [illegible] bullfighter (7)
[illegible] Politician's stand; part of Lord's stand [illegible]
16 The Liberal party's peak (3)
18 Producing elastic (8)
[illegible] The [illegible] in conjuring [illegible]
20 A pendant – [illegible] (4-4)
22 [illegible] exce[illegible] to [illegible]
23 Waste disposal includes hospital bandage (6)
24 Was lay-off in perpetuum? (6)
25 Weinstock [illegible]) need marketing [illegible] hears) (6)

Solution to Puzzle No.7,438

WORLD STOCK MARKETS

INDICES

	Jan. 4	Dec [illegible]	Dec.21	year ago (approx.)
Dow [illegible] Div. [illegible]	4.02	3.92	3.92	3.84

	Jan. 2	Dec 26	Dec.19	year ago (approx.)
S & P Industrial div. yield	3.35	3.31	3.32	2.86
S & P Ind. P/E ratio	15.76	15.92	15.88	15.19

NEW YORK ACTIVE STOCKS

Wednesday	Stocks traded	Closing price	Change on day
Pan Am Corp	4,831,500	¾	- ⅛
Blockbuster	2,879,500	26	+ 2⅜
Phillip Morris	2,416,900	48⅝	- ⅛
Limited Inc.	2,395,900	18⅛	- ⅛
Gen Electric	2,257,200	54⅝	- ⅛
IBM	2,075,300	106⅞	- 2⅛
Wal-Mart Stores	1,726,500	28⅝	- ⅝
Gen Motors	1,685,600	31⅝	- ⅛
Pepsico	1,649,300	24⅝	---
Am T & T	1,629,900	29⅛	- ⅝

TRADING ACTIVITY

† Volume (Millions)	Jan. 9	Jan. 8	Jan. 7
New York	191.100	143.390	130.610
Amex	13.835	10.031	10.287
NASDAQ	145.776	111.726	109.461
Issues Traded	1,990	2,000	1,993
Rises	578	558	346
Falls	949	926	1,222
Unchanged	463	516	425
New Highs	10	4	10
New Lows	62	39	39

CANADA TORONTO

	Jan. 9	Jan. 8	Jan. 7	Jan. 4	[illegible] HIGH	[illegible] LOW
Metals & Minerals	2632.06	2648.61	2650.66	2677.34	3453.05 (4/1/90)	2486.60 (8/11/90)
Composite	3169.64	3182.42	3201.00	3216.59	4009.47 (3/1/90)	3009.91 (16/10/90)
MONTREAL Portfolio	1686.89	1697.88	1700.23	1707.69	2060.90 (3/1/90)	1607.24 (16/10/90)

Base values of all indices are 100 except NYSE All Common – 50; S[illegible] and Poor's – 10; and Toronto Composite and Metals – 1000. Toronto indices based 1975 [illegible] Montreal Portfolio 4/1/ [illegible] Utilities, Financial and Transportation. (c) Closed. (u) Unavailable.

** Saturday January 5: Taiwan Weighted Price: [illegible]
& Subject to official recalculation.
Base values of all indices are 100 except: Brussels SE, ISEQ Overall [illegible] Industrials – 264.3 and Australia All Ordinary and Mining – 500 [illegible]

TOKYO - Most Active Stocks
Thursday 10 January 1991

	Stocks Traded	Closing Prices	Change on day		Stocks Traded	Closing Prices	Change on day
Honshu Paper	10.0m	1,290	-200	Hitachi	6.0m	1,110	+80
Nippon Steel	8.7m	448	-5	Kurabo Inds	6.0m	890	-25
Furukawa Elec	8.7m	721	+21	M'bishi Heavy	4.1m	666	+5
C.Itoh	8.2m	710	+17	Shimizu Corp	3.9m	1,030	+20
Chiyoda Corp	7.3m	1,810	+150	S'tomo Metal	3.5m	480	+5

3pm prices January 10

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
		- A - A - A -								
[illegible]	9¼	AAR	.48	4.6	9	132	10⅝	10⅜	10⅜	+ ⅛
9⅝	7⅛	ACM n1.03e	[illegible]			118	8⅞	8¼	8⅞	+ ⅛
11⅜	8¾	ACMIn 1.28	12.			960	10¾	10½	[illegible]	
9¼	8½	ACM M n1.01	13.			186	7⅞	7¾	7⅞	
12¼	10	ACMMM 1.50	[illegible]			219	12¼	12⅛	12⅛	
11½	8⅝	ACM S [illegible]	12.			1171	10¼	10⅛	10¼	+ [illegible]
9⅞	7¼	ACMSp 1.01	12.			282	[illegible]	8½	8½	
25¾	17	AL Lab .16	.7	18		62	22¼	22⅛	22⅛	− ⅛
4⅛	1	AM Intl				360	1⅛	1⅛	1⅛	
18⅞	4⅛	AM In pf 2	26.			12	7⅝	7⅝	7⅝	+ ⅛
70¼	39¾	AMR			14	2267	46⅝	45½	46½	+ ⅞
24⅞	22½	ANR pf 2.12	9.4			1	22½	22½	22½	
[illegible]	1¼	ARX				[illegible]	1¼	1¼	1¼	
72¾	[illegible]		3	8.4		555	47⅞	46¾	46⅞	− 1
3½	1⅞	ATTC wt				166	2⅞	[illegible]	2⅞	+ ⅛
[illegible]	31¼	AbtLab s.84	2.1	19	3725	[illegible]	40¼	40⅞		
14	9⅞	Abitibi g.50				30	10	10	10	+ ⅛
11⅝	4½	AcmeC .40	8.0	11	293	5	5	5	− ⅛	
9⅛	5	AcmeE .32	6.2	9	10	5⅛	5⅛	5⅛	+ ⅛	
[illegible]	18⅞	Acuson s		21	1175	[illegible]	25⅞	26	+ ⅛	
[illegible]	14⅛	AdaEx [illegible]	12			94	14⅞	14⅝	14⅝	+ ⅛
14½	8⅝	Adobe				91	8⅞	8⅞	8⅞	
19⅞	16	Adob pf 1.84	11.			8	16⅞	16⅞	16⅞	+ ⅛
21⅝	18⅞	Adob pf 2.40	13.			13	19	19	19	
11⅛	3⅝	AMD				2664	6	4⅞	4⅞	+ ⅛
32⅛	13	AMD pf 3	15			39	20	19½	19⅞	+ ⅝
[illegible]	29	AetnLf 2.76	8.1	[illegible]			[illegible]	[illegible]	34¼	+ ⅛
11⅞	[illegible]	AfilPb .24	3.1			338	7⅞	7½	7⅝	
22½	10⅝	Ahmans .88	7.0	5	1192	[illegible]	12½	12⅝	+ ⅛	
3⅝	1⅞	Aileen			7	8	3⅛	3⅛	3⅛	− ⅛
61	42⅞	AirPrd [illegible]	2.8	13	[illegible]	[illegible]	[illegible]	62¼	+ ⅞	
[illegible]										

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
20¼	16½	BostEd 1.58	8.6			560	18½	18⅜	18⅜	[illegible]
28½	16⅞	Bowatr 1.20	[illegible]	8	1472	21	20½	20½	[illegible]	
14½	6⅝	Brazil 3.19e	46.			100	7	6⅞	6⅞	[illegible]
34	20½	BrigSt 1.60	6.3	9	68	25¼	[illegible]	25¼		
[illegible]	50½	BrMySq 2.40	3.8	34	6316	62½	61½	62⅛	[illegible]	
[illegible]	25	BritAir 2.21e	[illegible]		[illegible]	27¼	[illegible]	27⅛	[illegible]	
47	30¾	BritGas 2.40e	5.5	11	250	44	43¾	43¾	[illegible]	
[illegible]	59⅝	BritPt 4.37e	6.0	19	1197	72⅞	72⅛	72¼	[illegible]	
[illegible]	6	BritP wt				1184	7⅛	6⅞	7	[illegible]
29⅞	20⅞	BritSt 2.16e	9.8	5	21	22¼	22	22		
57⅞	40⅞	BritTel 3.12e	5.8	10	158	53⅞	53½	53⅞	[illegible]	
11⅞	3¼	Broadin .20	4.2	5	491	4⅞	4¾	4⅞	[illegible]	
37⅝	28⅞	BHP [illegible]	4.1	10	24	29⅞	29⅛	29⅛	[illegible]	
12½	6⅛	Brooke .56b	[illegible]	6	28	8⅞	8⅛	[illegible]		
31⅞	25	BklyUG 1.90	6.5	14	102	[illegible]	29	29⅛	[illegible]	
29¾	[illegible]	BkUG pf2.47	[illegible]		4	28½	28⅛	28⅞	[illegible]	
17½	8⅛	BwnSh .32	3.5	13	32	9½	9⅛	9⅛	[illegible]	
30	[illegible]	BrwnGp 1.60	6.9	12	88	23⅝	23¼	23¼	[illegible]	
[illegible]	20¾	BrwnFr .68	3.1	13	3497	22⅛	21⅞	22		
18⅛	6⅛	Brnwk .44	4.9	8	1345	9⅛	8⅞	9		
25¼	11½	BrshWl .72	4.8	26	73	15⅛	15	[illegible]		
27⅞	22⅞	Buckeye 2.60	11	8	107	24	23¾	23⅞	[illegible]	
[illegible]	12	[illegible] 1.64a	12.		5	13⅛	13⅛	13⅛		
14⅞	10¾	BKinv 1.64	15	9	17	11⅛	11⅛	11⅛	[illegible]	
16⅞	8⅝	BurlCt s		7	19	9⅛	9½	9½	[illegible]	
39¼	22¼	BurNth [illegible]	4.3	8	1940	28½	28	28⅛	[illegible]	
50	34	[illegible] .70	2.1	22	7337	34½	d33	33	[illegible]	
19⅝	10½	BurnPP [illegible]	11	33	26	12⅞	12⅞	12⅞		
[illegible]	1	Businld				370	1⅛	1	1⅛	[illegible]
		- C - C - C -								
31¼	14¾	C&S Sovr1.56	10.	6	980	15⅝	15¼	15½		
44⅞	30¾	CBI In .60	1.7	16	1314	36⅛	35½	36	[illegible]	
[illegible]										

[illegible]

Continued on Page 37

هكذا من الأصل

NYSE COMPOSITE PRICES

Continued from previous Page

NASDAQ NATIONAL MARKET

3pm prices January 10

AMEX COMPOSITE PRICES

3pm prices January 10

AMERICA

Dow claws back [redacted] fraction of January'[redacted] losses

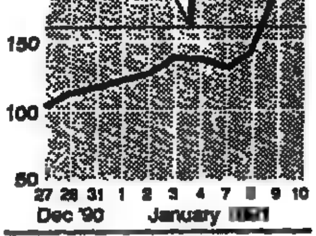
Wall Street

EQUITIES moved broadly higher yesterday morning in fairly lethargic trading following [redacted] tumultuous session on Wednesday, [redacted] *Zagor in New York*.

At 2pm, the Dow [redacted] Industrial Average [redacted] higher [redacted] 2,491.09. But the improvement [redacted] only [redacted] small dent in the 163.61 point decline registered by the Dow in the first six sessions of this year, including Wednesday's [redacted] of 39.11 to 2,470.30.

The overall sentiment [redacted] moderately positive, [redacted]

NYSE volume



advancing [redacted] leading [redacted] declining on the big [redacted] by [redacted] ratio of eight to five. [redacted] prices [redacted] helped yesterday by oil prices, which registered only [redacted] gains in spite [redacted] the failure of the [redacted] in *Geneva on Wednesday*. [redacted] mid-session, the February crude oil contract was up [redacted] $27.88-a-barrel [redacted] New York Mercantile Exchange.

Pan Am was the most active issue of [redacted] morning on [redacted] New York Stock Exchange, *adding* [redacted] Among [redacted] airline issues, American Airlines [redacted] $⅛ [redacted] $46¼. Delta Airlines improved [redacted] *and UAL, parent* [redacted] *United Airlines*, rose $2⅞ to $114⅞.

Ford Motors added $⅛ [redacted] $25⅞ in very heavy morning trading. *There had* [redacted] widespread speculation that the company's board would announce [redacted] *dividend cut* [redacted] yesterday's annual meeting. Although the board [redacted] not to change the [redacted] at present, *it might cut it if* [redacted] US economy remained weak. Trading [redacted] active in General Motors, which [redacted] *Chrysler gained $⅛* [redacted] $12⅞ in fairly light trading.

The Limited firmed $⅞ to $19 [redacted] the company [redacted] *for* [redacted] *month ended January* 5 [redacted] 13 per [redacted] Same [redacted] 4 per cent.

General Dynamics increased [redacted]⅞ *and* [redacted] Douglas [redacted] unchanged [redacted] $27⅞. [redacted] prices for both companies lost ground [redacted] *this* [redacted] cancelled its A-12 stealth bomber programme.

Blue chip [redacted] moved higher in morning trading, with AT&T up [redacted] $29⅞, Philip Morris $¼ higher [redacted] *IBM* [redacted] Even [redacted] secondary market [redacted] strong, with the NASDAQ composite [redacted]

[redacted] in *Apple Computer* continued to [redacted] from [redacted] positive report by Salomon Brothers. [redacted] *issue*, [redacted] $2 on Wednesday, [redacted] $1¾ [redacted]

Other technology-related [redacted] *also posted gains* [redacted] morning. [redacted] rose $⅛ [redacted] climbed [redacted] $76⅛ and Sun Microsystems [redacted]

Canada

TORONTO [redacted] edged higher in dull trade [redacted] investors hunted for bargains after [redacted] straight [redacted] losses. The composite [redacted] gained 5.6 [redacted] 3,175.2. [redacted] by [redacted] to 78 on volume [redacted] shares.

[redacted] block trade of 90,000 [redacted] pushed Carena Developments up [redacted] to C$11⅛.

Among [redacted] shares, CHUM Ltd [redacted] flat [redacted] C$19⅛, [redacted] *Hunter* [redacted] unchanged at C$9⅞, [redacted] Alcan gained [redacted] to [redacted] Laidlaw, which reported higher first quarter net [redacted] increased its dividend on Wednesday, firmed [redacted] to C$20⅛.

Latin Americans produce the year's best and worst

The effect of austerity measures sent Venezuela and Brazil in opposite directions, says Jacqueline Moore

THERE [redacted] winners [redacted] world's stock markets [redacted] year, in *spite of the draining effect of* the Gulf crisis, and most of them were Latin American. The region produced four of *the top five emerging markets* in dollar terms, according [redacted] the [redacted] compiled by the International Finance Corpora*tion, part of* [redacted] *Bank.*

[redacted] month, there [redacted] few [redacted] highlights [redacted] the Gulf [redacted] continued [redacted] discourage *investors. One of the few* exceptions [redacted] Venezuela, [redacted] biggest [redacted] in December and in [redacted] The market, which [redacted] in [redacted] has [redacted] helped by [redacted] during [redacted] Gulf crisis. The attempted takeover of Banco [redacted] Venezuela also [redacted] share prices.

Local opinion, however, [redacted] economic optimism [redacted] the [redacted] driving force, says [redacted] Eduardo [redacted] of Latin Ameri[redacted] Securities. Investors believe [redacted] country *is emerging* [redacted] its period [redacted] austerity.

Mr Faria expects shares [redacted] rise further this year, but *points out* [redacted] *it will* [redacted] *from a* higher base. "I doubt that [redacted] going [redacted] the rises [redacted] through 1990," [redacted] says. "But if the government maintains [redacted] prudent management *of the financial affairs, we* could [redacted] very interesting performance in Venezuela."

Chile, Mexico [redacted] Colombia made gains of more [redacted] per [redacted] *in dollar terms* [redacted] year – compared [redacted] of 35, 66 and 6 per [redacted] respectively [redacted] Investors were encouraged by Chile's economic performance. The inflation rate for 1990 is expected to come in [redacted] per cent, compared [redacted] *earlier forecasts of more* [redacted] 30 per cent – and this in spite of [redacted] country's heavy reliance on imported oil, says [redacted] *Smith of Bear Stearns*. An influx of country funds into Chile earlier in [redacted] year also triggered buying.

Mexico [redacted] a shaky spell after the Gulf crisis began, on worries about the effects of [redacted] *US recession*. However, the country's position as an oil producer at a time of rising crude prices finally outweighed *such* [redacted] *Colombia's stock* market receives little international attention [redacted] of [redacted] drugs activities. Nevertheless, local buying lifted [redacted] index.

Latin America [redacted] produced two of the worst performers last year. Investors took fright in Brazil when the newly elected President Fernando Collor [redacted] March, while devaluations of [redacted] cruzado [redacted] further [redacted] nomic gloom [redacted] investors [redacted] *returning*. [redacted] risen 39 per cent in 1989.

A tight monetary [redacted] *Argentina, although* [redacted] Brazil, [redacted] wiped out, [redacted] Mr Faria. [redacted] Argentina in 1991 is more optimistic, he [redacted] with inflation expected to fall further and privatisations [redacted] continue, although an expected further [redacted] currency could introduce a note of uncertainty. Argentina had jumped 136 per cent in 1989.

The only non-Latin American *in the top five* was Greece, which built upon an advance of 68 per cent for 1989. The bourse shot up early last year as the locals switched from *gold and property to stocks*. Although the Gulf crisis eroded that gain, the market was helped last month by news of [redacted] tax on interest earned [redacted] bank deposits, making equities more attractive.

International worries were not focused solely on the Middle East. The prospect of a slowdown in the US economy weighed on economies largely dependent on exports, such as Taiwan, which had jumped 95 per cent the previous year.

East Asia also produced the second worst market last year in dollar terms, the Philippines, which had gained 57 per cent in 1989. Mr David Bates of Asia Equity (UK) details a long list of the woes that afflicted Manila. They included the devaluation of the currency; new restrictions on the conversion of pesos into foreign currency; the rising oil price; the falling gold price; yet another [redacted]ous coup attempt; and a devastating earthquake.

IFC EMERGING MARKETS PRICE INDICES

Market	[redacted] stocks	Dec. [redacted]	[redacted] over 4 weeks (Dollar terms)	[redacted] on Dec '89 (Dollar terms)	Dec. 28 1990	% Change over [redacted] weeks (Local currency terms)	[redacted] Change on Dec '89 (Local currency terms)
[redacted]							
Argentina	(24)	261.49	−6.3	−37.7	[redacted]	+2.3	[redacted]
Brazil	(56)	[redacted]	−10.4	−67.7	1,972,221	+3.1	+360.5
Chile	[redacted]	813.47	+13.4	+31.4	2,116.38	+15.3	+50.5
Colombia	(20)	288.19	−0.2	+26.5	1,323.40	−0.2	+56.4
Mexico	(54)	730.17	+1.1	+25.2	11,132.47	+1.6	+37.5
Venezuela	(13)	[redacted]	+19.7	+555.0	3,270.80	+20.1	[redacted]
[redacted]							
Korea	[redacted]	[redacted]	−2.5	−26.6	293.40	−2.6	−22.6
Philippines	(29)	[redacted]	+2.3	−55.0	1,194.59	+3.1	−43.8
Taiwan, China	(64)	[redacted]	−1.3	−51.2	434.61	−1.7	−50.1
[redacted]							
India	[redacted]	237.16	−10.8	+16.1	345.91	−10.4	+25.1
Indonesia§	(72)	[redacted]	+10.5	−0.9	104.22	+11.8	+4.2
Malaysia	(62)	[redacted]	+7.5	−17.4	140.44	+7.9	−17.0
Thailand	(34)	289.80	+9.4	−27.6	270.08	+10.7	−28.5
Europe/Middle [redacted]							
Greece	(26)	[redacted]	+2.2	+87.9	656.01	+5.4	+91.2
Jordan	(25)	[redacted]	+2.4	−2.7	153.10	+2.4	−2.2
Portugal†	(27)	451.16	−4.4	−33.8	396.94	−1.0	−39.5
Turkey‡	(18)	181.23	−10.4	−25.3	698.56	−6.0	−4.9

Source, International Finance Corporation. Base date: Dec 31, 1984. §Dec 1989=100. †Jan 1986=100. ‡Dec 1986=100.

EUROPE

Late-closing bourses shed most of Wednesday's gains

LATE-CLOSING bourses [redacted] lose yesterday after the excitements of Wednesday *afternoon*, and this [redacted] reflected in [redacted] number of indi[redacted] *writes Our* [redacted] *Staff*.

PARIS lost most of the previ[redacted] day's gains in *moderate* turnover. [redacted] CAC [redacted] index, which had risen 49.42 [redacted] Wednesday, fell 45.10 or [redacted] cent *yesterday to 1,507.09*.

Buying concentrated [redacted] panies [redacted] likely [redacted] in the Gulf. Elf Gabon, *the oil producer*, jumped [redacted] FFr1,490, with [redacted] shares traded; Thomson-CSF, the defence electronics group, [redacted] FFr5.60 [redacted] 4.5 per cent [redacted] FFr130.20, on 462,200 shares. These [redacted] accounted for much of the day's turnover of *FFr1.96bn by the close*.

Peugeot fell FFr18.30 to FFr473. The carmaker's UK unit plans [redacted] cut [redacted] 335 jobs after a fall [redacted] demand.

Sanofi, [redacted] pharmaceutical company, rose [redacted] to [redacted] *before falling to* [redacted] *low of* FFr739, [redacted] recovering [redacted] only FFr4 down at [redacted] It [redacted] suspended on Wednesday *for the expected news of* [redacted] *joint* venture with Sterling Drug [redacted] the US, which [redacted] a positive response [redacted] analysts.

[redacted] retreated after Wednesday's 2.5 per cent rise, [redacted] general [redacted] falling [redacted] or [redacted] per cent to 218.30. Ercros was suspended at Pta630, down Pta30, amid [redacted] it was planning [redacted] Ertoil, [redacted] refining company.

FRANKFURT showed a rise on the [redacted] trading day, [redacted] DAX index closing 8.24 higher [redacted] 1,383.40 after a 2.47 rise to [redacted] in the FAZ [redacted] midsession. Volume rose from DM3.3bn to DM5bn.

However, [redacted] was exceeded by gains [redacted] the heavily weighted chemical stocks; [redacted] masked [redacted] in other *blue chips*, compared with post-bourse prices [redacted] Wednesday afternoon.

Mr Jens Wiecking [redacted] Finck in Düsseldorf [redacted] that Deutsche [redacted] and Siemens, in Wednesday's post-bourse, [redacted] quoted about DM10 higher [redacted] official close. Yesterday, [redacted] official [redacted]sion, they showed [redacted] DM509, [redacted] respectively.

BASF, *Bayer and Hoechst* [redacted] DM208.40, DM6.80 [redacted] DM2.40 [redacted] DM210.50. Cyclicals [redacted] *these* [redacted] war, but they do offer [redacted] yield [redacted] domestic shareholders – and, said [redacted] Wiecking, they might [redacted] regarded [redacted] defensive [redacted] that context.

[redacted] limited its losses in spite of [redacted] higher oil prices, [redacted] traders covered their short positions [redacted] account [redacted] Comit index fell 1.68 to 509.64.

Generali, boosted by reports that the Milan merchant bank Mediobanca's stake had risen *to more than 7 per cent from* 5.8 per cent, closed up L100 at L29,280. The reports also said that the bank was buying on behalf of Generali's ally, Axa-Midi of France.

Fiat, which said it planned to lay off 65,000 workers for five days in February to reduce stocks, eased L47 to L5,271.

AMSTERDAM lost Wednesday's late gains in very thin trading. The CBS Tendency index finished 1.2 lower at 78.1, after touching a low of 77.8.

Pakhoed, the transport and storage company, fell a further *Fl 3.50 to Fl 179* and dealers said there was still stock on offer at the close.

NatNed, which has risen strongly recently *on talk of* Swiss buying, fell back Fl 1.60 *to Fl 52.50* on reduced volume.

CSM, the sugar and prepared food group, was 60 cents lower at Fl 80.90. Towards the close, it announced that it was raising *its dividend* to Fl 2.05 for the year to September 30, 1990, from Fl 1.85 a year earlier.

ZURICH saw reports of a large sell order in Roche, moderate trading and a 5.3 decline in the Crédit Suisse index to 441.7. Roche certificates dropped SFr80 to SFr3,600, but the bearers eased just SFr10 to SFr6,520.

OSLO's [redacted] index fell [redacted] to 420.88 in turnover of [redacted] Norsk Hydro fell NKr5.5 to NKr168.5. Banks continued to be under pressure in spite of a government proposal to set up [redacted] NKr5bn support fund. DnB was at a new low of NKr86, down NKr2.

BRUSSELS fell in thin volume with Petrofina, up BFr460 [redacted] BFr340 or 3.4 per cent to BFr9,600. Cockerill-Sambre, the steelmaker, shed BFr5 or 3.6 per cent to BFr135 in 28,000 shares as it looked for a significant fall in profits this year.

ISTANBUL tumbled 10.2 per cent on panic selling after the failure of the Geneva talks. The 75-share index *closed* at 3,017.74, down 342.5. Volume rose to L56bn from L50.9bn.

ATHENS eased, with the general index *down 19.14 or 2* per cent at 9,39.00.

SOUTH AFRICA

GOLD SHARES ended mixed in Johannesburg yesterday after a day of nervous trading. *The all-gold index fell 3 to* 1,313, as investors' attention focused on the forthcoming United Nations visit to Iraq. *Vaal Reefs* rose R1 to R228.

ASIA PACIFIC

Nikkei recoups early loss and ends higher

Tokyo

[redacted] rose yesterday, to the surprise of many traders who had braced themselves for [redacted] fall following the breakdown of the US-Iraq [redacted] and the resulting [redacted] Wall Street. *The Nikkei average* declined in [redacted] morning, but [redacted] retrieved the [redacted] in [redacted] afternoon, *writes* [redacted] *Terazono in Tokyo*.

[redacted] up [redacted] 23,047.36 after [redacted] high [redacted] day [redacted] 23,184.75. It had fallen [redacted] low of 22,711.91 straight [redacted] the opening *on disappointment* [redacted] the lack of [redacted] the Geneva talks.

The Nikkei regained *its strength on options-related* buying [redacted] January option [redacted]tracts expired yesterday. A decline in bond yields also helped *the market*. The yield on the 10-year 119 benchmark fell 0.075 of a percentage point [redacted] per cent.

Volume [redacted] thin [redacted] was unchanged [redacted] Declines outnumbered gains by 508 to 421, with 153 issues unaltered. The Topix [redacted] all [redacted] section [redacted] up [redacted] to 1,679.08, but in London the *ISE/Nikkei* [redacted] index receded 7.07 to 1,308.14.

Chiyoda, a leading plant engineer with projects in the Middle East, advanced [redacted] to Y1,810. Arabian [redacted] gained Y110 to Y7,000 in spite [redacted] the fact that Kuwait and [redacted] are major shareholders. *The* [redacted] terday [redacted] it would repatriate some Japanese workers from its production site in [redacted] Arabia.

Toshiba firmed Y9 to Y709 on reports that it [redacted] been [redacted] by Nippon Telegraph and Telephone to co-develop an [redacted]

Honshu Paper, a speculative favourite [redacted] year, [redacted] the [redacted] active [redacted] of the day [redacted] *fell by* [redacted] limit [redacted] to Y1,260.

Non-ferrous [redacted] firm on the higher gold price in New York. Sumitomo Metal Mining gained [redacted] to Y1,170.

C.Itoh [redacted] Y17 to Y710. The company is [redacted] in [redacted] reconstruction [redacted] an oil plant in [redacted] Union.

High-technology issues firmed [redacted] concern over margin positions [redacted] receded. Sony put on Y90 [redacted] Y6,040 and TDK [redacted] Y4,260. [redacted] Electronics gained [redacted] to Y4,100, partly on [redacted] that [redacted] Communications, the US film maker, had [redacted] wanted to buy [redacted] company.

Furukawa Electric [redacted] a further Y21 [redacted] Y721. The [redacted]pany announced [redacted] Monday [redacted] *had developed a high-*temperature superconductivity magnet. Japanese securities [redacted] have also [redacted] promoting [redacted] issue [redacted] was considered cheap in [redacted] wires [redacted] sector.

In Osaka, [redacted] prices [redacted] *for* [redacted] *first time in* [redacted] trading days. The [redacted] average [redacted] 96.32 [redacted] on volume [redacted] gained [redacted] to Y17,700 as worries [redacted] margin positions [redacted]

Roundup

[redacted] depressed by Wednesday's [redacted] US-Iraq diplomacy in Geneva, but [redacted] higher [redacted] Tokyo's rise.

[redacted] fell sharply, although bargain hunting in [redacted] the *weighted* [redacted] day's low [redacted] or [redacted] cent. Turnover eased to T$21.5bn [redacted]

SEOUL dropped [redacted] cent, [redacted] composite index losing 24.93 [redacted] 635.46 as [redacted] rose to [redacted]

[redacted] the US warned it [redacted] to provoke [redacted] confrontation over America's military bases, although *bargain hunting brought some* relief. The composite [redacted] a net 4.19 to 582.64.

AUSTRALIA ended firmer for [redacted] six sessions, [redacted] index closing 1.2 up at 1,233.7, [redacted] losing 9.5 points earlier. Turn[redacted] shrank from *A$174m* to A$140m, *one third of* [redacted] attributed [redacted] options-related activity in [redacted] rose [redacted] to [redacted]

HONG KONG rallied [redacted] in slightly more active trading, [redacted] Hang Seng index [redacted] at 303.58. Turnover came [redacted] after the previous day's [redacted]

[redacted] ZEALAND [redacted] above [redacted] day's worst but with [redacted] Barclays [redacted] still [redacted] 11.22 at 1,161.06, another [redacted] closing low.

SINGAPORE [redacted] its low *for* [redacted] *session*, [redacted] the Straits Times Industrial index losing only 1.00 at 1,166.29.

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, [redacted] Co., and County NatWest/Wood Mackenzie in conjunction [redacted] Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS	WEDNESDAY JANUARY 9 1991								[redacted]					DOLLAR [redacted]		
Figures [redacted] parentheses [redacted] number [redacted] of stock	[redacted] Dollar Index	Day's Change %	[redacted] Sterling Index	[redacted] Index	[redacted] Index	Local Currency Index	Local % chg on day	Gross Div. Yield	US [redacted] Index	[redacted] Sterling [redacted]	[redacted] Index	[redacted] Index	Local Currency Index	[redacted] High	1990/91 [redacted]	Year [redacted] (approx)
Australia (75)	113.10	−0.9	87.04	95.80	88.96	97.18	−0.4	7.87	114.07	88.73	[redacted]	90.83	[redacted]	158.31	113.10	155.20
Austria (19)	[redacted]	+1.5	140.97	155.17	144.09	144.00	+0.2	1.[redacted]	180.54	140.43	[redacted]	143.75	[redacted]	265.63	[redacted]	215.77
Belgium [redacted]	[redacted]	+1.0	97.64	107.46	99.80	97.78	−0.1	5.[redacted]	125.56	97.67	[redacted]	99.97	[redacted]	160.02	125.56	158.26
[redacted] (116)	[redacted]	−0.9	97.61	107.43	99.76	106.17	−0.5	3.[redacted]	127.95	99.53	[redacted]	101.87	[redacted]	153.61	121.24	151.59
Denmark (32)	223.42	+2.6	171.94	189.24	175.74	177.38	+1.2	1.[redacted]	217.74	169.37	[redacted]	173.37	[redacted]	277.62	217.74	247.74
Finland (22)	93.33	+0.3	71.82	79.05	73.41	71.44	−0.7	4.[redacted]	93.00	72.34	[redacted]	74.05	71.95	152.29	93.00	139.15
France (113)	132.26	+3.5	101.79	112.02	104.03	106.54	+2.3	3.[redacted]	127.81	99.42	110.19	101.76	104.10	168.85	124.98	156.00
Germany (88)	108.44	+2.2	83.46	91.87	85.30	85.30	+1.0	2.[redacted]	106.06	82.50	91.46	84.45	84.45	144.63	101.38	126.96
Hong Kong (48)	122.17	+0.8	94.02	103.48	96.11	122.32	+0.8	5.47	121.18	94.26	104.48	96.49	121.32	147.49	112.24	118.35
Ireland (16)	141.96	+3.1	109.25	120.25	111.67	113.33	+1.9	4.56	137.73	107.13	118.75	109.66	111.25	198.57	137.73	194.78
Italy (91)	75.97	−0.9	58.47	64.35	59.76	64.58	−1.9	3.90	76.63	59.61	66.07	61.01	65.84	109.26	75.73	101.72
Japan (453)	122.29	+1.5	94.11	103.59	96.21	103.59	−0.3	0.82	120.54	93.76	103.93	95.99	103.93	197.26	106.58	188.88
Malaysia (34)	199.68	−0.1	153.67	169.13	157.07	209.41	−0.2	3.21	199.90	155.49	172.35	159.16	209.75	250.89	182.96	236.35
Mexico (12)	564.42	−0.2	434.37	478.06	443.97	1819.54	−0.4	0.38	565.64	439.99	487.70	450.38	1827.51	613.96	324.53	337.02
Netherland (41)	132.19	+2.2	101.73	111.97	103.98	102.93	+1.0	5.22	129.39	100.65	111.56	103.03	101.90	149.03	127.56	142.87
New Zealand (15)	42.08	−2.4	32.39	35.65	33.11	37.78	−2.1	8.97	43.11	33.53	37.17	34.33	38.61	75.36	42.08	73.95
Norway [redacted]	192.72	+1.2	148.31	163.24	151.59	154.96	−0.1	1.96	190.43	148.13	164.20	151.63	155.15	276.79	190.43	215.55
Singapore [redacted]	156.71	+0.9	120.60	132.74	123.26	126.99	+0.9	3.30	155.28	120.78	133.88	123.63	125.87	209.24	147.24	189.89
[redacted] (60)	181.17	−0.7	139.43	153.45	142.51	135.40	−0.4	4.02	182.45	141.92	157.31	145.27	135.88	251.39	151.50	206.87
Spain (41)	141.23	+4.2	108.69	119.63	111.09	102.18	+2.7	5.48	135.56	105.45	116.88	107.94	99.46	182.25	128.54	182.25
Sweden (27)	151.20	+3.1	116.36	128.08	118.94	126.75	+2.1	3.22	146.60	114.04	126.41	116.73	124.09	234.93	146.60	206.58
Switzerland (65)	86.77	+2.7	66.78	[redacted]	68.26	68.51	+1.6	3.06	84.48	65.71	72.84	67.27	67.43	109.77	84.48	98.23
United Kingdom (297)	163.96	+2.4	126.18	[redacted]	128.96	126.18	+1.3	5.54	160.15	124.58	138.07	127.51	124.58	176.18	139.67	163.65
USA (527)	125.95	−1.0	[redacted]	[redacted]	99.06	125.95	−1.0	3.96	127.26	98.99	109.73	101.33	127.26	148.95	119.06	140.53
Europe (942)	132.37	+2.3	101.87	112.12	104.13	103.28	+1.2	4.51	129.34	100.61	111.52	102.99	102.06	157.65	124.91	148.30
Nordic (111)	159.49	+2.5	122.74	135.09	125.45	124.89	+1.3	2.43	155.55	120.99	134.12	123.85	123.26	223.29	155.55	197.36
[redacted]in (650)	121.62	+1.3	93.59	103.02	95.67	103.65	−0.3	1.24	120.01	93.35	103.48	95.56	103.96	192.75	107.82	185.00
Euro-[redacted]ific (1592)	126.33	+1.8	97.22	107.00	99.37	104.27	+0.3	2.64	124.14	96.56	107.03	98.84	103.91	174.18	116.03	168.73
North America (643)	125.91	−1.0	96.90	106.65	99.06	124.66	−1.0	3.95	127.21	98.95	109.69	101.30	125.92	148.43	118.28	141.09
Europe Ex. UK (645)	113.15	+2.3	87.08	95.87	89.03	89.89	+1.1	3.72	110.60	86.03	95.38	88.08	88.88	145.62	109.94	134.38
Pacific Ex. Japan (197)	112.96	−0.2	86.93	95.68	88.86	100.94	+0.1	6.48	113.13	88.00	97.56	90.09	100.85	146.72	112.96	136.32
World Ex. US (1780)	127.14	+1.6	97.84	107.70	100.01	105.08	+0.3	2.69	125.09	97.30	107.86	99.61	104.76	173.77	117.12	169.56
World Ex. UK (2010)	122.00	+0.5	93.89	103.35	95.96	110.07	−0.3	2.81	121.40	94.43	104.68	96.67	110.45	162.00	115.37	157.61
World Ex. So. Af. (2247)	125.39	+0.7	96.50	106.22	98.64	111.50	−0.2	3.12	124.49	96.84	107.35	99.13	111.66	161.84	118.04	157.83
World Ex. Japan (1854)	128.76	+0.3	99.09	109.07	101.30	115.92	−0.1	4.26	128.31	99.81	110.64	102.18	116.01	151.59	124.31	143.85
The World Index (2307)	125.73	+0.7	96.76	106.50	98.91	111.87	−0.2	3.13	[redacted]	97.11	[redacted]	[redacted]	111.85	[redacted]	118.33	158.13

FT LAW REPORTS

Digest of Michaelmas term cases

Imperial Group Pension Trust Ltd
(FT, December 5)

THE [redacted] mons by [redacted] trustees and management committee of the Imperial Group Pension Trust Ltd against the employer [redacted]pany, Imperial Tobacco Ltd, [redacted] to whether the company's consent was essential to an increase in pensions. In [redacted] of investigation of [redacted] facts, the court was not in [redacted] position [redacted] *or* [redacted] *not acted* [redacted] good [redacted] in withholding [redacted] consent. The vice-chancellor [redacted] that while [redacted] in the company to [redacted] after its [redacted] interests financially, the obligation [redacted] good [redacted] require that the [redacted] *should exercise* [redacted] *rights* (a) with [redacted] view [redacted] running [redacted] the scheme; and (b) [redacted] for [redacted] collateral [redacted] *of forcing members* [redacted] *give* [redacted] their accrued rights in [redacted] existing [redacted] subject to the scheme. In [redacted] of any other explanation, [redacted] a fair inference by [redacted] pensioners' association [redacted] only [redacted] being provided in [redacted] the company's [redacted] to [redacted] the surplus [redacted] were currently [redacted] *to* [redacted] *scheme where it* [redacted] belong to the company.

Marcel and Others v Commissioner [redacted] Police [redacted] Metropolitan [redacted] *and* [redacted]
(FT, [redacted] 7)

[redacted] THE present motion, [redacted] plaintiffs claimed an injunction restraining [redacted] police *from* dealing with documents [redacted] police [redacted] except for purposes connected with [redacted] investigation and prosecution of crime, [redacted] with court order. Granting the injunction, the vice-chancellor [redacted] when the police or any other public authority used compulsory powers [redacted] *information* [redacted] documents from [redacted] citizen, the relationship between them was such [redacted] information [redacted] *documents* [redacted] received solely for [redacted] *for* which [redacted] power was [redacted]ferred. Equity imposed [redacted] public authority a duty [redacted] *disclose them* [redacted] parties [redacted] order [redacted] court. The public interest in ensuring that confidential information [redacted] by public authorities *from citizens under compul*sion remained inviolate and uncommunicable [redacted] anyone was [redacted] such importance [redacted] it *overrode* [redacted] other public interests, [redacted] vice-chancellor [redacted] in acceding [redacted] the plaintiffs claim.

Royal Bank of [redacted] plc [redacted] Risparmio dell [redacted] *Provincie Lombard and Others*; Royal Bank [redacted] Scotland plc [redacted] Istituto Bancario San [redacted] Turino
(FT, [redacted] 11)

[redacted] instructions from the importers, six Italian [redacted] requested the RBS to confirm [redacted] of credit, reimburse[redacted] *for* [redacted] to specified banks in the US. [redacted] of suspicions of fraud, [redacted] Italian [redacted] then told [redacted] the [redacted] they revoked [redacted] tion [redacted] banks [redacted] reimburse RBS. The question *of jurisdiction arose in RBS's* claim under article 5(1) of [redacted] Convention [redacted] of Judgments [redacted] 1986 concerning [redacted] "place of performance [redacted] obligation in question". In striking out [redacted] actions, [redacted] Phillips [redacted] that wherever the reim[redacted] RBS account might be, [redacted] stipulation [redacted] use [redacted] an American reimbursing [redacted] place [redacted] of the obligation for the [redacted] 5(1).

A Cameron Ltd v [redacted] lem & Co plc
(FT, December 12)

[redacted] 24.1.4 [redacted] building sub-contract form, *DOM/1*, the adjudicator's [redacted] was binding "until the [redacted] on which [redacted] has given his deci[redacted] have [redacted] by agreement [redacted] determined by an arbitrator [redacted] the court". In the instant case an adjudicator was appointed [redacted] with regard to a set-off [redacted] to an alleged failure to observe sub-contract [redacted] and he [redacted] that [redacted] contractor [redacted] the sub-contractor [redacted] specified sum. The judge held that the adjudicator's [redacted] definitive [redacted] parties' rights and [redacted] adjudication [redacted] did not qualify as an arbitration. *Dismissing* [redacted] appeal from *that decision*, [redacted] Court of Appeal [redacted] adjudicator's [redacted] had an ephemeral [redacted] subordinate [redacted] *made* [redacted] it [redacted] a binding award on an arbitration [redacted]ment. The Court [redacted] Appeal also allowed an appeal against an [redacted] 14 judgment *pursuant* [redacted] the adjudicator's decision as being immediately enforceable, stating that the adjudicator [redacted] *power* to determine [redacted] amount due in accordance with the clauses dealing with interim payments [redacted] nor had [redacted] court. In [redacted] case of disagreement, the correct figure could [redacted] determined only by arbitration.

Spiro v Glencrown Properties Ltd and Another
(FT, December 14)

THE plaintiff granted an option to Glencrown to buy property which Glencrown exercised in time. It failed to complete the purchase and Mr Spiro obtained judgment for damages. The question was whether the contract on which he had relied complied with section 2 of the Law of Property [redacted] Act [redacted] that [redacted] of an [redacted] in land could only [redacted] in writing and by incorporating all [redacted] agreed terms. [redacted] Hoffmann, finding [redacted] plaintiff, [redacted] that [redacted] prescribed formalities [redacted] recording the parties' mutual consent. But only the [redacted] option depended on consent; [redacted] was [redacted] unilateral [redacted] and it would destroy the very purpose of the option if the purchaser had [redacted] obtain the vendor's countersignature to the notice by which it was exercised. Grant of the option imposed an obligation on the vendor contingent *on* the exercise [redacted] the option which, [redacted] exercised, both vendor and purchaser came under [redacted] *perform as* if they [redacted] an [redacted] of [redacted]

[redacted] in [redacted]
(FT, December [redacted])

MR Gale sought [redacted] patent for an improved method of calculating the square root of a number with the aid of a computer [redacted] put [redacted] necessary [redacted] into [redacted] circuitry [redacted] only memory (Rom) unit. His patent application was rejected [redacted] the ground [redacted] a program for a computer and was therefore [redacted] from [redacted] protection by [redacted] of the [redacted] Act 1977. The judge [redacted] appeal and remitted [redacted] application [redacted] the Comptroller General [redacted] Designs and [redacted] to proceed. *In allowing the Comptroller's appeal*, the Court of Appeal stated that Mr [redacted] in substance, a *claim to* [redacted] *computer program*, for [redacted] instructions [redacted] prescribe [redacted] CPU [redacted] a conventional computer, [redacted] calculations from [redacted] *normally prescribed* [redacted] user [redacted] a square root. Those instructions [redacted] represent [redacted] technical pro[redacted] outside [redacted] computer, or a [redacted] *a technical problem* within the computer.

Griffiths and [redacted] v Provincial & City Property Company and Another
(FT, December [redacted])

[redacted] JOINT [redacted] was set up to develop a business park with land belonging *to the Stockport Borough* Council which granted a lease to the Provincial & City Property Co (PCP) for 199 years. PCP *was* project co-ordinator and by clause 4, it had to seek the novation of the agreement for the lease in favour of the company. The company went into administration receivership and the administrators sought security for a loan from the bank provided that the lease would be vested in the company. PCP objected. Finding for the administrators, Mr Justice Scott stated that in *construing clause 4, the com*pany had a beneficial interest in the lease to take effect in equity immediately. It contained an express *declaration* [redacted] trust and any other construction would leave PCP in a position of preferred creditor. The joint venture was an amal[redacted] of *partnership* and company but the main asset – the lease – was not vested in the company but retained *in the name of PCP. In such* a case their insistence of their rights under the joint venture agreement in order to control the *administrators'* attempts at salvage was objectionable.

Canniford v Smith and Others
(FT, December 21)

MR Canniford was a minority shareholder in [redacted] companies. He alleged that he had been wrongfully excluded from partic[redacted] in their businesses, and [redacted] their affairs [redacted] being conducted in a manner unfairly prejudicial to *his interests as a member*. He petitioned under section 459 of the Companies Act 1985 for an order that his shareholdings be *purchased* or *that the companies be wound up*. By the present motions he sought an order that individual shareholders *should not*, until after judgment, have the companies represented on the hearing of the petitions or be involved except for any application under section 127 of the Insolvency Act 1986, on the ground that the dispute was, in substance, *between individual shareholders*, and that the companies' [redacted] should not be expended on their disputes. On the evidence, there was no possible *justification for the companies'* incurring further expense in taking part in the dispute, Mr Nugee QC stated. That being so they did not get over the first hurdle in *Cyanamid* of showing there was a serious question to be tried.

Aviva Golden

RECRUITMENT

JOBS: Readers solve the mystery of two Englishmen who took up unexpected careers

Where the renegade pirates came from

X – WHICH signifieth [illegible] the Jobs column is now *entitled to the vote*, having reached its 18th birthday yesterday.

Moreover sometime in the past *year or so it has* published its millionth word. If that makes anyone who happens to have read them all feel weary in the bones, spare a thought for the poor soul who's written 'em.

For me at least, however, the experience has been well worth while, not least because *of the* resourcefulness of you readers. And never has it been better exemplified than in your response to my appeal for help on December 19.

As some of today's *congregation* may not have been present on that date, I had better summarise what the problem was. It concerned two of just over 1,500 people who around the *seventeenth century* found themselves in something of a pickle.

While sailing the Mediterranean they had been captured by Barbary pirates and, to *avoid* being *sold into* slavery, had become Muslims only to be subsequently recaptured by Christian forces. That meant they were doomed as renegade heretics unless they *could* persuade the Inquisition that their conversion had been forcible, and they had stayed true to their first faith.

My question was about the origins of two *Englishmen among* them who took up employment *with* the Barbary pirates that captured them. Th[illegible] were John Martin and [illegible] Larman (or Lormond or Sarman) *described as* coming from "Milbrue", some 250 *miles* from London, which is no longer on the map.

Historian Professor [illegible] Bennassar, who has studied the Inquisition's files, thought it could be present-day Middlesbrough. But the Tees-side town's Dorman Museum can find no evidence that the place [illegible] *Milbrue*. Hence my request three [illegible] for more *likely candidates*.

By noon on the day the article appeared, [illegible] people had telephoned with ideas. Further calls and letters [illegible] since produced a total of almost 75 [illegible] – and, I believe, the solution [illegible] Professor Bennassar's problem.

Two readers, respectively in Stratford-on-Avon and Milan, argued that Middlesbrough could [illegible] the [illegible] place. Although [illegible] present town was built from *scratch in the 1830s, they say,* the [illegible] previously on the site was a noted source of seafaring men.

Two more plump for Milbourne, a village 14 [illegible] Newcastle upon Tyne. A fifth switches from the north-east [illegible] the south-west naming Millbay in Devon, which is now enveloped in Plymouth.

But while that switch seems to be in [illegible] *right direction*, [illegible] evidently [illegible] not quite hit the mark. For all the other 70 replies nominate Millbrook in Cornwall just across the Tamar from Plymouth.

They variously *tell me that it* has a history of seamanship and possibly shipbuilding too, and that the work the two men took up in their renegade phase was in the best traditions of natives of the [illegible] such as Drake and Hawkins [illegible] mingled piracy with trading [illegible] of course.

What's more [illegible] a [illegible] antipathy which – although I'm a frequent visitor [illegible] Lyme *Regis, a good half mile beyond* Devon's eastern border in Dorset – was not known to me before. It is that Devon [illegible] "Janners" [illegible] a dubious opinion of "Jackers" from Cornwall, and *vice versa*.

Take for instance Peter Rivett, now of Abingdon, who remarks: "As a Janner, I would regard switching sides as just the sort of thing a bliddy Jacker would do! But em [illegible] lovely [illegible] though."

Overseas costs

NOW *to the table below* which gives [illegible] rough [illegible] to a question regularly tossed at the Jobs column by people considering a move overseas: "If I went to work in *so-and-so, how much would it* cost to keep up the living standard *I have here at home?*"

The information comes from the Employment Conditions Abroad *consultancy which keeps its sub*scribing organisations in touch with pay, perks and living costs in some 70 different countries. Since my figures are confined to only *nine of them, anyone wishing to* know more should [illegible] Barry Rodin [illegible] at [illegible] Britten St, London SW3 3TY; telephone 071-351 7151, fax 071-351 9396.

The table focuses on managers of the nine nations working in each others' native lands. All are of the same rank, typified by the head of a function such [illegible] marketing in a *medium-sized company*.

First, the table shows what their gross salary would be in their home country, expressed in sterling at the average exchange rates of *the first fortnight in December*. Then we have the sums which, according to ECA's most recent living-cost surveys, the executives would have to pay to keep up their customary pattern *of spending on* consumer goods both in their native land, and in each of the other eight.

Please note [illegible] the spending figures [illegible] not represent the full cost of living. They cover only consumer goods and services, including durables, in addition [illegible] standard utilities. No [illegible] *is taken of the price or rent of* housing. The reason is that, as folk working abroad often live in accommodation subsidised by their employer, realistic housing-price figures are *hard to divine*.

[illegible] I [illegible] published [illegible] findings in previous years, the outstanding feature has been the remarkably low consumer spending of *Japanese managers* wherever they are employed. As may be [illegible], they are still being incomparably economical, although how they do it is a mystery.

This year, however, there [illegible] also the question of the remarkably high spending of managers from Hong Kong who appear in the table for [illegible] first time. Mr Rodin's *explanation* [illegible] *that executives* in Hong Kong [illegible] currently having [illegible] consumer-goods bonanza, [illegible] by big [illegible] awarded [illegible] keep them in place pending the [illegible] to China in [illegible]

Michael Dixon

Nationality of mid-rank manager*	Gross salary in homeland £	Cost of keeping up own home-country pattern of spending [illegible] consumer goods [illegible] in: United Kingdom £	United States £	Switzerland £	Netherlands £	Germany £	France £	Australia £	Japan £	Hong Kong £
British	31,600	9,780	[illegible]	17,190	[illegible]	[illegible]	[illegible]	9,460	20,720	9,770
American	43,030	14,840	10,180	21,650	15,650	14,700	17,400	11,740	[illegible]	12,270
[illegible]	64,470	12,100	10,000	[illegible]	12,440	12,410	14,300	10,220	21,960	10,670
Dutch	41,680	8,790	7,510	13,730	8,370	9,110	10,620	[illegible]	[illegible]	[illegible]
German	54,310	11,660	[illegible]	17,470	12,010	11,180	13,790	9,860	21,180	[illegible]
[illegible]	41,420	11,700	9,640	[illegible]	[illegible]	11,570	[illegible]	[illegible]	[illegible]	10,190
[illegible]	28,250	10,280	8,190	15,570	10,700	10,450	12,060	7,720	18,620	[illegible]
Japanese	58,120	5,500	4,570	8,280	5,770	5,710	6,700	4,550	8,320	4,530
Hong [illegible]	36,000	[illegible]	15,720	[illegible]	[illegible]	18,460	21,540	15,110	32,000	12,450

* Responsible for function such as marketing [illegible] medium-sized company.

BANKING FINANCE & GENERAL

UK toll-free number: 0800 289 137

هكذا من الأصل

Project Finance Executive

Excellent Package — City

[illegible] client has rapidly grown one of the [illegible] impressive [illegible] and project finance teams in the City. The pace of [illegible] business [illegible] the opportunity for an *outstanding young executive* [illegible] work [illegible] major project financings.

THE COMPANY
- Fast growing structured and project finance advisors with *outstanding international reputation.*
- Part of quoted group with financial advisory and broking businesses world-wide.
- Entrepreneurial, un-bureaucratic culture.

THE POSITION
- One of a top class team with superb record and high visibility.
- Advise wide range of blue chip clients on the structuring and *financing of major projects.*
- New position resulting from substantial deal flow.

QUALIFICATIONS
- Outstanding young deal-maker, with superb analytical skills and entrepreneurial outlook
- Experience of structured finance, preferably including limited recourse project finance, from a quality banking group.
- Alternatively, exceptional finance or corporate development professional from a contractor, utility or project sponsor, with exposure to the project development process.

Please write, enclosing full cv, Ref BJ3150
**NBS, Bennetts Court, 6 [illegible] Hill,
Birmingham, B2 5ST
021-233 4656
(Interviews in London)**

N·B SELECTION LTD — **STRUCTURED FINANCE RECRUITMENT**

LONDON • SLOUGH • BIRMINGHAM • MANCHESTER • BRISTOL • GLASGOW • ABERDEEN

European Economist

If you have at least 2 years' *relevant experience, this is* [illegible] excellent opportunity to enhance your skills and assume an *important role with a leading* multi-national company.

Working in the Company's Treasury *Department, you'll advise* senior management of economic developments throughout Europe. *This will include* preparation of economic forecasts with emphasis on exchange rates, *interest rates and* inflation, together with reports [illegible] key economic issues.

Therefore, you should have a good honours degree in Economics, *with proven* statistical ability and be computer literate. You will also [illegible] some work *experience,* possibly gained in [illegible] research institute or government department and possess excellent interpersonal skills. Knowledge of the automotive industry *would also* [illegible] desirable. You will also need [illegible] demonstrate that you've [illegible] *confidence to* [illegible] early responsibility and the initiative to use [illegible] *responsibility effectively.*

In return you can look forward [illegible] highly attractive salary – *negotiable* according [illegible] *experience and qualifications – together with* [illegible] *comprehensive range of* benefits, *including holiday bonus, company* [illegible] *plan and relocation* [illegible]*istance where* appropriate.

If you think you meet these requirements, send [illegible] full CV to Tracy Stuart, Ford *Motor Company Ltd., Room 1/552, Eagle Way, Brentwood,* [illegible] CM13 3BW.

This vacancy is open to both [illegible] regardless [illegible] ethnic origin in [illegible] *with Ford's equal opportunities policy.*

Ford

- WORLDWIDE ORGANISATION
- 15 NATIONAL COMPANIES [illegible] EUROPE
- MAJOR PRODUCT DEVELOPMENT AND MANUFACTURING FACILITIES IN THE UNITED KINGDOM AND GERMANY
- MULTI-CURRENCY OPERATION
- HIGHLY CHALLENGING ENVIRONMENT

Unit Trust Administration

Financial Services Conglomerate

Northern Home Counties

Our client, established over a century ago, is a major financial services conglomerate with considerable *assets exceeding* £10 billion currently under management. In the last 20 years the company has broadened the range of financial services that it offers and [illegible] number of subsidiaries have been created including a unit trust company. Recent restructuring of the unit trust and PEP administration departments has resulted in the need for two top flight administration professionals at senior management level for the new department.

Head Of Administration

c£38,500 basic + bonus + excellent benefits package

Your brief will involve the management of the registration, dealing and transaction accounting *functions for both the unit* [illegible] and PEP *departments.*

In your 30's, you must be an experienced administrator within a unit trust organisation with sound hands-on management skills and a good academic record. Computer literacy and an accounting background would be distinct advantages.

Assistant Manager

c£18,000 basic + benefits

Your brief will involve the management of the section heads in the unit trust department. With a background in administration you are likely to be currently occupying a junior management role.

For a strictly confidential discussion regarding these positions please telephone or write to **Fiona Law or Charles [illegible] quoting reference 1377, at FLA, 16 [illegible] Bond Street, London, W1X 3DB. Tel: 071-491 3811.**

FLA
SEARCH, SELECTION AND CONSULTANCY SERVICES

Analyst/Fund Manager

Investment Management Group

Edinburgh

Excellent Salary & Benefits Package

Our client is [illegible] *world class player whose investment philosophy focuses* [illegible] *stock selection and whose funds enjoy excellent long* [illegible] performance, resulting in funds under management of over [illegible] billion.

It has [illegible] been decided [illegible] strengthen [illegible] established and highly successful investment team by the appointment of [illegible] individual [illegible] play a key role in the analytical and fund management process. *It* [illegible] *envisaged that the* [illegible] *candidate,* [illegible] *part of a* worldwide team, will [illegible] *his/her* analytical skills [illegible] identify suitable investment opportunities [illegible] meet the group's investment criteria.

You must [illegible] orientated [illegible] willing [illegible] learn quickly and accept [illegible] responsibilities in a challenging environment. Communication skills, both verbal and written, [illegible] obviously extremely important.

The remuneration package includes a high basic salary, quality car, bonus schemes and other valuable benefits. A generous relocation package will [illegible] if appropriate.

This appointment represents a rare opportunity to join a first class investment management group [illegible] exciting stage of [illegible] worldwide expansion.

For a strictly confidential discussion please telephone or write [illegible] **Robin Douglas quoting reference 1376, [illegible] FLA, 58 Queen Street, Edinburgh, [illegible]. Tel : 031-220 3689.**

FLA
[illegible] AND CONSULTANCY SERVICES

INTERNATIONAL BANKING

OFF BALANCE SHEET

**OBS Arbitrage [illegible]
to £60,000**

Our client, a first class International Bank currently seeks a Senior Arbitrage Dealer with a thorough working knowledge of interest rate products in order to utilise FRA's, Interest Rate Swaps, Options and Futures. Ideal candidates will be aged 28-35 and will have gained a minimum of 2 years experience in the aforementioned markets.

**Financial Engineer
£ neg**

A leading *Merchant Bank currently has an opening for a Financial* Engineer. The incumbent will have responsibility for the structuring of *interest rate related products (swaps, options etc) specifically tailored to* suit individual client requirements.

**Senior Currency Options Dealer
£ neg**

A well regarded European Bank currently seeks a senior currency options trader with a *minimum of 2 years experience to complement* their existing desk. In return our client offers genuine career prospects *for further advancement together with a first class salary package* reflecting their commitment to this area.

**FRA Dealer
c£50,000**

A *major* International Bank *currently* has an opening for a Sterling FRA dealer as part of its strategy of developing their Off Balance Sheet *trading function. A minimum of 2 years experience* in the Sterling market is prerequisite together with a stable and profitable trading record.

For further details please contact Steve Cartwright either by telephone or in writing.

[illegible] LTD.
RECRUITMENT CONSULTANTS

CREDIT/MARKETING

**Relationship Manager
c£35,000**

A highly regarded [illegible] Bank requires an experienced [illegible] formally credit trained person, aged 30-35, to assume responsibility for an existing [illegible] of mid market UK corporates. [illegible] candidates will demonstrate [illegible] success [illegible] relationship [illegible] across a [illegible] of industries.

**Corporate Manager
to £30,000**

[illegible]k especially [illegible] expanding in London seeks a [illegible] educated/qualified Account Manager, aged [illegible] experienced in marketing and relationship responsibilities for major UK corporate [illegible] background [illegible] credit risk assessment/analysis is *required.*

**Credit Analyst
£ neg**

A long established and [illegible]ly respected European Bank currently strengthening the London operation seeks an addi[illegible]al analyst for the credit team with current risk assessment experience in respect of top UK [illegible]*te business.* [illegible] educated and suitably qualified.

**Account [illegible]
[illegible]**

The successful London operation of a major European bank requires a well [illegible] corporate [illegible] with the benefit [illegible] fluent [illegible] language skills. *The responsibilities primarily involve relationship* [illegible]agement [illegible]ed corporate [illegible] marketing [illegible] services as appropriate.

For further [illegible] please [illegible] Frank Hoy [illegible] by telephone or in writing.

5TH FLOOR, 2 [illegible] WALL BUILDINGS,
[illegible]
TEL: 071-628 7601 FAX: 071-638 [illegible]

Gordon Brown

Administrator/Secretary

Arab Banking Association

Tax Free Salary — Attractive Foreign Location

Our client, [illegible] well established overseas *banking association, seeks to recruit* [illegible] experienced banker for the post of Administrator/Secretary.

This important role will involve servicing the Association's various committees, liaising with individual member banks and the Central Bank, [illegible] well as maintaining good relations with various external organisations and government *bodies.*

The appointment *calls for a mature* banking professional with *highly* developed organisational skills and [illegible] keen eye for detail. A good understanding of committee administration [illegible] essential and experience in a similar position within a bank or relevant business association, ideally in [illegible] Middle East, would [illegible] especially valuable.

The post, which may be of particular interest [illegible] an active, early retiree, offers [illegible] attractive [illegible] *free salary together with free furnished accommodation, and home* leave with paid air fares. Overseas relocation expenses will be paid.

Please write - In confidence - outlining *how you* [illegible] *the requirements of this post* to John Strang, Ref: 1331/1, MSL International (UK) Limited, [illegible] Aybrook Street, London W1M 3JL.

MSL International
CONSULTANTS [illegible] SEARCH AND SELECTION

U.K. Fund Manager

Edinburgh

Edinburgh has been a centre for investment *management for* [illegible] than [illegible] century and has [illegible] worldwide reputation for its innovation and professionalism. Our client is one of its leading independent fund managers, [illegible] philosophy being to perform consistently and [illegible] provide above average *investment performance for* [illegible] clients. *Its approach* [illegible] *managing money* [illegible] to include, where appropriate, an above-average exposure [illegible] smaller companies which have [illegible] many years demonstrated their superior growth *properties in all the major markets of the* world. An opportunity currently exists for a senior fund manager to join its U.K. team and to take the initial responsibility of managing small company funds of around £200m.

Candidates will have [illegible] impressive track *record to date in U.K. markets,* aged 27-33 and will be seeking to continue his or her development within a successful and progressive environment in Scotland.

For further details, please write with C.V. to:
**Willie Finlayson, Director
ASA International,
Executive Search and Selection,
[illegible] George Street,
Edinburgh EH2 2JG.
Tel: 031-226 6222.**

ASA International — ASA INTERNATIONAL

Shepherd Little & Associates Ltd

**ASSISTANT DIRECTOR — UK LENDING
£40,000 + CAR**

A leading Merchant Bank is seeking an additional senior corporate lending manager to further increase its contacts in the UK middle market sector. Taking charge of a small team, the responsibilities will centre around enhancing and strengthening an *already successful marketing effort,* as well as developing the performance of others in the Unit. *Candidates,* educated to degree-level, must have strong business development and deal making skills, supported by a sound credit analysis background.
Please contact Brenda Shepherd

**CORPORATE TRADER
£35-£40,000 + CAR**

This major City Bank is seeking an additional corporate trader for a busy and professional team. Candidates should be aged between 26 and 35 and have at least two years' experience in corporate sales. A record of success in a competitive environment will be a prerequisite as will knowledge of a number of interest rate and off-balance sheet products.
Please contact David Little

**FUND MANAGER — FIXED INCOME
c£30,000**

Established UK Merchant Bank seeks an additional Fund Manager for its fixed income team. Whilst undertaking the discretionary management of the pension fund portfolios, the active development of the use of derivative products to enhance performance will be an important part of the role. Applicants will *preferably have a mathematics/science based degree,* minimum three years' fund management experience, including extensive exposure to Sterling fixed income products.
Please contact Stephanie Devine

**SENIOR CREDIT ANALYST
£35,000**

Due to promotion, an opportunity currently exists within a city based UK Merchant Bank for an experienced Credit Analyst. Ideal candidates will be either Graduate/ACIB/ACA or ACCA qualified with hands-on *experience of a diverse area of analysis.* Whilst Property/Commercial will be the main target area, duties will also cover Corporate, Factoring and High Risk lending. This is an opening for a self-motivated, enthusiastic individual that provides the prospect of managing and supervising a well established credit team.
Please contact Simon Pope

**RISK MANAGEMENT
£35,000**

High-profile US Investment Bank requires a degree educated Credit Analyst to strengthen its risk management team. Analysing counterparty, product and sovereign risk, the successful applicant will work closely with both traders and clients. Sound credit analysis skills gained from a financial *institution are essential together with knowledge of capital markets/FX/* MM products. Proven management ability and fluency in a second European language would be highly desirable.
Please contact Stephanie Devine

**SWAPS DOCUMENTATION
To £30,000**

A major multi-national Securities House is seeking a senior documentation specialist to support its expanding swaps division. A legal background would be an advantage but a *minimum of three years'* in depth swaps documentation experience is essential. The position will involve negotiation of ISDA documentation, preparation of special product documentation and providing general advice on tax accounting and general matters arising from swaps transactions.
Please contact Keith Snelgrove

Ridgway House 41/42 King William Street London EC4R 9EN
24 HR ANSWERPHONE **071-626 1161** FAX NO 071 626 9400

هكذا من الأصل

C.S. INVESTMENT MANAGEMENT LTD

EXCELLENCE IN THE MANAGEMENT OF PRIVATE WEALTH

PRIVATE CLIENT MANAGERS, TEAMS OR ORGANISATIONS

Over the last five years CS Investment Management Ltd has grown rapidly to become a major provider of investment management services for substantial private clients, family trusts and charities. Our hallmark is the provision of a genuinely personal [illegible] at senior level in the firm for all clients.

We enjoy a harmonious relationship with our majority shareholder, a major bank group which does not [illegible] in the day-to-day running of the company and is fully committed to funding the development of the business in the hands of the existing management.

Our management team were Board members of large financial institutions who joined together to avoid the conflicts of interest that [illegible] in these groupings and provide sophisticated investment management services tailored to the needs of private clients and charities in the 1990's.

We would welcome hearing from individuals, teams or organisations who would like to explore the possibility of joining us to develop their client base in an environment which combines the best traditions of the old City with strong IT systems support and a forward looking approach.

Please write to Sam Stevenson, Nigel Wilson or Robert Brown or telephone 071-430 0578, or evenings on 0296 681279.

C.S. INVESTMENT MANAGEMENT LTD
125 HIGH HOLBORN, LONDON WC1V 6PY

EUROPEAN MARKETING

One of America's oldest and most consistently successful Futures Trading Advisors is seeking a European marketing representative to institutions and high net worth individuals.

Performance over 19 years shows 25% compound annual return with lower volatility than the Standard & Poors 500 Index. Currently managing over $150,000,000.

President will conduct interviews of qualified persons in london during week of January 21, 1991.

Interested parties should contact:

James M. Little or Keith Campbell
Campbell & Company
Village of Cross Keys
Quadrangle, Suite 339
Baltimore MD 21210
Tel: (301) 435-1131
Fax: 301-435 1603

ECONOMIC RESEARCH
Screen-based

R H Wrighton & Associates are looking to recruit two analysts for their London office to contribute to a new international bond and currency product.

The first position would suit a bond market professional with several years experience of continental European markets and central bank operations. The job will involve taking overall responsibility for developing the fixed income side of the service. Applications will be welcomed from candidates with a background in investment management.

The second position is for a European economist capable of combining in-depth analysis of fundamental trends with daily market commentary.

Candidates should have at least 1-2 years experience of analysing the major European economies, probably working in the research department of a bank or securities house.

Good writing skills and the ability to work efficiently in a computerised office environment are essential for both positions. Fluency in French or German would be an advantage. Remuneration will be fully commensurate with experience.

Please reply in confidence to: Tim O'Dell, R H Wrighton & Associates, [illegible] Garden Walk, London EC2A 3EQ. Tel: 071-739 9057.

FIXED INCOME

Salesman with established UK/European client base to head innovative new fixed income department for Global Securities firm.

Please write to Box A325, Financial Times, One Southwark Bridge, London SE1 9HL

US GOVERNMENT SECURITIES

Established specialist *primary dealer* in US Government Securities seeks an additional salesperson to join its London office. The ideal candidate should be experienced in fixed income markets and be able to demonstrate both analytical and communicative skills. The person appointed will have to be self motivated and able to work as part of a small integrated team. A knowledge of foreign languages would be an advantage but is not essential. Salary will be competitive.

Apply in confidence by writing to Box A328, Financial Times, One Southwark Bridge, London SE1 9HL

WANTED

London based merchant bank seeks a government bond trader/salesman who must be knowledgeable in UK-US, French and German cash and derivatives markets. A knowledge of basis trading and repurchase agreements essential. Existing client base imperative.

Please send a current CV outlining in detail all previous experience.

Write Box A329, Financial Times, One Southwark Bridge, London SE1 9HL

McKinsey & Company

MANAGEMENT CONSULTANTS

Portugal

McKinsey & Company is a leading international management firm providing business problem solving expertise which helps its worldwide clients make positive, lasting and substantial improvements in their performance.

Currently, we have a number of challenging opportunites for bilingual (Portugese/English), business professionals to play a key role in serving our clients in Portugal.

The ideal candidate will be a self motivated, analytical person with superior interpersonal and presentation skills. Their backgrounds should encompass an advanced degree, preferably an MBA, with technical undergraduate training (engineering, economics, or related discipline) and 3 to 5 years of broad experience in either Industry or Finance. Additionally, at an early point in his/her career, the candidate must have developed maturity, poise and the talent to interact with management on all levels.

These positions offer a very attractive compensation and benefits package commensurate with the challenge.

To be considered for this exceptional position, please submit your resume in confidence to:

Ana Jonet,
McKinsey & Company, Av. 5 de Outubro 146, 8º,
1100 Lisboa, Portugal. Tel: 793 30 43

HEAD OF RESEARCH
Investment Management

City — Excellent Package

A major international institutional fund manager, our client has shown consistent growth and performance within the Life and Pensions industry. Global funds under management are in excess of £10 billion and primary research has been fundamental in achieving this level of [illegible].

A Head of Research is required to assume responsibility for the running and further development of the professional research team. This is a key role within the Group and offers an exciting opportunity to build up the research capability to meet the requirements of the [illegible]. On a long term basis the individual will be expected to expand coverage and broaden the scope of the department by moving towards a [illegible] European approach to equity research. Working closely with fund managers, the role will involve recruitment and training, monitoring new investment techniques and above all maintaining the high standard of research produced.

Candidates should have at least [illegible] years experience of fundamental company analysis. The ability to manage others is essential, whilst working within a strong team environment.

This is a challenging position and offers an excellent opportunity to develop into a senior [illegible] role. The financial rewards include a highly competitive salary, and an attractive benefits package with a car and a subsidised mortgage.

Please [illegible] Bixley who will treat all enquiries in confidence: [illegible] Cousin Lane, London EC4R 3TE. Tel: 071-236 7307 or Fax: 071-489 1130.

STEPHENS ASSOCIATES
SEARCH AND SELECTION SPECIALISTS IN SECURITIES AND INVESTMENTS

Zwecks Erweiterung unserer Tätigkeiten auf dem Gebiet der Beziehungen zu Anlegern suchen wir für unsere Finanzabteilung eine/n

Investor Relations Manager/in

Ihre Tätigkeit besteht in der Koordination aller Investor Relations Tätigkeiten, wie

- Einholen/Zusammenstellen von Informationen
- Vorbereitung von Präsentationen
- Logistik der externen Präsentationen und Road Shows in Zusammenarbeit mit Public Relations Agenturen und Investment Banken
- Organisation und Leitung von individuellen Gruppen-Meetings mit Investoren und Finanzanalysten
- Ueberprüfung von Research-Berichten

Wir offerieren Ihnen eine anspruchsvolle und abwechslungsreiche Kaderfunktion, bei der Ihre persönliche Initiative eine grosse Rolle spielt. Entwicklungsmöglichkeiten bestehen im Rahmen Ihrer Fähigkeiten.

Sie sind eine umgängliche, klar denkende und dynamische Person, haben Kenntnis der Finanzmärkte und des Anleger-Verhaltens, kennen sich aus in der Finanzanalyse und sind ein guter Präsentator. Externe und interne Fachleute werden Ihnen während der Einführungszeit zur Verfügung stehen.

Die Beherrschung der deutschen und englischen Sprache ist Voraussetzung. Französischkenntnisse sind erwünscht.

Wir freuen uns auf Ihre Offerte unter Kennwort "Financial Times 6295" an Dr U. W. Trinler, CIBA-GEIGY AG, Personaldienst, Postfach, CH-4002 Basel.

CIBA-GEIGY

Offen für Ihre Einstellung.

RETIRED BANK MANAGERS

Recently retired branch bankers to provide an expanding medium sized Bank with sound contacts for loans and deposit raising. Work from home 14-16 hours per week with full back-up services.

Attractive package to suitable individuals.
Personal details to:

Write Box No: A331
Financial Times
One Southwark Bridge
London SE1 9HL

INVESTMENT ANALYSTS

Delphi Economics, an investment analysis company seeks a well qualified analyst to work in our London office. Preferably with good business education the successful candidate will be able to work and communicate effectively within a team. He/she will become involved in every aspect of the business from the analysis of equities, to the production and marketing of the Delphi products. Please send CV and covering letter to:-

Jorgen Childebel,
Delphi Economics Plc,
20 New Bonds St,
London W1Y 9HF.
Fax: 071 491 2854.

APPOINTMENTS WANTED

FINANCIAL ANALYST AND CONTROLLER

Scandinavian, 30, five years of banking experience in Stockholm and Frankfurt, fully responsible for budgeting, profit centre analyses, and financial analyses. Fluent in English and German, little knowledge in Finnish is looking for an adequate position in a bank in LUXEMBOURG

Please write to Burkart & Partner, Kelkheimer Strasse 58, D 6232 Bad Soden/Ts.

APPOINTMENTS ADVERTISING

appears every Wednesday & Thursday (UK) & Friday (in the International Edition only.)

For further information please call.

Jennifer Hudson
071-873 [illegible]

SANWA INTERNATIONAL PLC

Sanwa International Plc is the London based flagship investment banking subsidiary of The Sanwa Bank Limited, the world's sixth largest bank.

Continued expansion of the capital markets operation has led to the creation of the following positions:

SALES PERSONS : UK, Ireland and German speaking countries.

Two individuals separately responsible for clients in UK/Ireland and German speaking clients in Europe.

Both individuals must have had a minimum of three years multicurrency international bond sales experience. Established business flows with a wide range of final investors are also essential. Fluency in German is necessary for handling the German speaking accounts.

TRADER : International bonds in European currencies.

One additional trader is required to enlarge a team of two professionals responsible for trading bonds in various European currencies. Present coverage includes DM and DFL, but the objective is to expand to all major European markets. The individual must have traded profitably for at least two years in the domestic and/or Euro French Franc. Knowledge of other European markets would be a definite plus. Ability to speak one or several European languages desirable.

TRADER : European equity and equity linked instruments.

An individual to start a trading activity in European equities and their derivatives. The candidate should have extensive previous trading experience and a good analytical mind combined with an in-depth understanding of the major European markets. Knowledge of European languages desirable.

TRADER: FRN - Repackaging

A FRN trader also to be involved in secondary market repackaging and asset swaps. A minimum of four years trading experience is required. An overall understanding of the bond market and appreciation of credit analysis is essential.

Competitive, performance-related compensation and benefits packages will be offered for each position.

To apply for any of the positions, please send your detailed C.V. to:

Clive Ashworth
Associate Director, Sanwa International Plc,
P.O. Box 245, 1 Undershaft,
London EC3A 8BR

Area Manager
Corporate Banking

South Wales — £35,000 + Car + Profit Share

Our client is an autonomous bank member of a major UK banking and finance Group. It intends to enhance its already major presence in South Wales by the appointment of an Area Manager, who will take over and develop a small and enthusiastic management team and an expanding portfolio of corporate clients.

The appointee will be aged mid 30's upwards, well qualified, and have wide experience of all forms of corporate finance. The Area Manager will have personal presence, the ability to generate business, and the skill and sensitivity needed to lead and motivate young managerial talent. With well-practised presentational experience the successful candidate will mix easily in the business community of the region and quickly earn its respect. In return there will apply an excellent benefits package that will include a generous profit sharing scheme.

Letters of application, together with CV, salary progression and any other relevant data, should be sent without delay to the Managing Director, Performance Management Limited, [illegible] Floor, Peter House, St. Peter's Square, Manchester, M1 5BH, quoting reference P174.

Performance Management Limited
MANAGEMENT CONSULTANTS

Manchester Exchange and Investment Bank
LIMITED

MARKETING
BANKING AND TREASURY - LONDON BASED

Manchester Exchange and Investment Bank has built an enviable reputation in the provision of carefully tailored corporate banking and treasury services and products.

Exciting developments in this field now require the Banking and Treasury division to appoint an experienced and highly motivated professional, in order to identify business opportunities at a high level.

Successful candidates will be aged between 28 and 35. Excellent business communication skills gained from a corporate financial services background are essential, and candidates should be TSA Registered Representatives or be in a position to [illegible] registration at [illegible].

The opportunities offer a basic salary, plus benefits, including an effective performance related bonus scheme, amounting to c£35,000+, plus company car.

Career details should be sent to:

Val Palmer,
Manchester Exchange and Investment Bank Limited,
5th Floor,
International House,
1 St. Katharine's Way,
London, E1 9UN

Legal Adviser

Morgan Grenfell, a leading merchant bank, is seeking to recruit a qualified lawyer to join one of its subsidiaries, Morgan Grenfell Debt Arbitrage and Trading Limited, which specialises in the secondary market trading of loans of Lesser Developed Countries, debt equity and debt for debt conversions, particularly in Latin America.

The successful candidate will join an expanding team of lawyers responsible for reviewing and co-ordinating the legal aspects of the business and ensuring that all legal requirements are being satisfied in connection with the underlying transactions. The position will involve working closely with other operating teams and providing assistance and advice to the traders who are structuring and sourcing the business.

Applicants must have some experience of Latin American debt instruments and the structure of deals in which they are utilised. Knowledge of the U.S. legal system would be an advantage. Additionally, applicants should be able to work effectively under pressure as part of a team and should possess strong negotiating skills.

There is an attractive remuneration and benefits package. Please contact giving full career details:

Emma Gray
Morgan Grenfell & Co. Limited
23 Great Winchester Street
London EC2P 2AX
Telephone: 071 588 4545

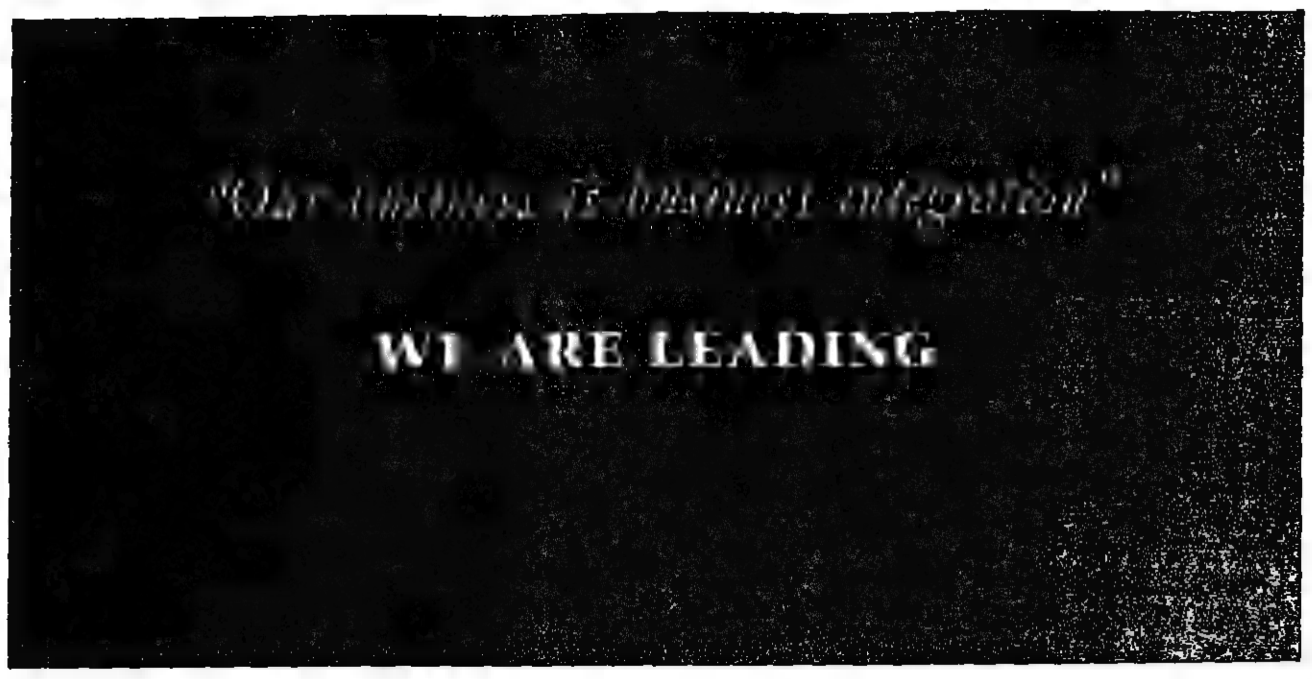
MORGAN GRENFELL

UK toll-free number: 0800 289 137

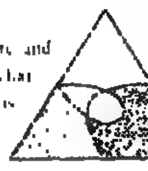
هكذا من الأصل

TOP OPPORTUNITIES

SENIOR POSITIONS IN GENERAL MANAGEMENT



BUSINESS LEADERS



United Research works with clients worldwide to create and implement strategies for competitive advantage. What differentiates United Research from other consulting firms is [illegible] ability to simultaneously and continuously integrate *business strategy, change management, and information* technology to help clients, in a zero-lag-time world, achieve new standards of competitiveness and profitability.

For thirty years, United Research has been [illegible] *the business* of working with leading corporations to make major change happen smoothly and effectively. Through this experience we have developed *the multi-disciplinary know-how, tools and methodologies to help blue* chip, well-managed firms clarify their complex businesses so that management can focus on the truly critical factors that are key to long-term success.

The United Research approach is comprehensive. Our consulting professionals work together with clients to implement programs that achieve strategic visions across all functions and divisions and through all levels of the organisation. It is our firm belief that this should be a joint process: client and consultant working together [illegible] In this way, United Research can leave the client *with the ongoing capability to* [illegible] *and enhance the value of work* completed during the joint project.

To [illegible] our rapid growth in Europe [illegible] are looking for results orientated information strategists. Our interest focuses on those who have a full appreciation of the role information technology can play [illegible] an integrating mechanism within a complex multi-functional business environment in support of broad based business issues. You will have taken a leading role in the development of major impact, business-led IT strategies evidencing a sound, 'hands on' understanding of the operational perspective of sophisticated systems implementation and consistently proving an ability to deliver measurable business performance improvement.

Your role within United Research would be to prove yourself quickly as a technology practice leader, partnering Chief Executives of Fortune 500 companies and project managing joint process teams comprising multi-disciplined consultants and client team members. You are likely to be a senior manager working at board and strategic level within a major European business or at partner level within a management consultancy and looking for the opportunity to work consistently with major clients to significantly impact their business performance. A first degree is essential and a further business qualification would be an advantage. To complement our pan-European business objectives fluency in English *and at least one other language is required.*

All our consultants spend time in the U.S. whilst training but subsequent relocation is not necessary [illegible] the majority of assignments are at client sites within Europe, returning home at weekends.

Please write with full C.V. to Amanda O'Connor, United Research Limited, 11-14 Grafton Street, London W1X 3LA, England. Please quote reference FT 1190.

United Research

MANAGEMENT CONSULTANTS
ACCELERATING STRATEGIC CHANGE

The Top Opportunities Page

appears every Wednesday in the Financial Times.

For further information please contact

Elizabeth Arthur
071-873 3694

Stephanie Spratt
071-873 4027

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

CHIEF EXECUTIVE OFFICER
DYNAMIC LEADERSHIP ROLE IN INFORMATION TECHNOLOGY

U.A.E. Based

Attractive Remuneration Package plus Profit Sharing

Our client [illegible] well established and successful computer and information technology group [illegible] companies which is a *distributor for* [illegible] *major international computer hardware* manufacturer and is operating in the United Arab Emirates and other Gulf states. Continuing [illegible] the last decade has created [illegible] unique opportunity for a well seasoned *executive aged 40 - 50 with minimum* [illegible] *years relevant experience at senior* level [illegible] take charge of the Group's diversified activities in the United Arab Emirates and other parts [illegible] Gulf.

The ideal candidate should have relevant engineering degree with an impeccable and successful track record in managing similar organisations. He should be familiar with the *Middle* [illegible] *environment* [illegible] computer and information technology market. He should [illegible] have excellent analytical, marketing and interpersonal skills.

The successful candidate will report to and work closely with the Chairman and owners [illegible] business, focusing [illegible] the analysis and investigation of [illegible] information technology market and on new busienss opportunities, and should be able to assume full responsibility for the day [illegible] day diversified activities of the Group.

The position offers [illegible] very competitive compensation package plus [illegible] profit sharing plan. Suitably qualified candidates should forward in writing career details including salary history quoting reference JB/7, before closing date of 24 January 1991 to:

Sami Ali
Ernst & Young
P O Box [illegible]
Abu Dhabi
United [illegible]

HEAD OF RESEARCH
SCOTLAND

The Company is a major fund manager wishing [illegible] *expand* [illegible] *in-house research facilities.*

This [illegible] post will:
- provide support for an experienced group of equity fund managers
- organise and structure a service department adding value [illegible] *their output*
- develop fundamental research [illegible] and in-depth company analysis which will [illegible] independent of, and supplemented by, appropriate external material.

The person will be:
- a numerate graduate probably with a further professional qualification
- [illegible] team player, a good communicator
- able [illegible] function independently and [illegible] maintain output of a high quality.

Candidates will probably have [illegible] some experience [illegible] a fund management or research environment but may now be within [illegible] different discipline.

Key qualities [illegible] management, organisational, planning and analytical [illegible]

This [illegible] a senior post and [illegible] pay and benefits package will reflect that.

Please reply in writing, quoting Ref: 2031, enclosing c.v. [illegible] *the* [illegible] *below.*

AAD,
7 Curzon Street,
London W1Y 7FL.

THE ADVERTISING APPOINTMENTS DIVISION OF ODGERS AND CO

How do Europe's best business people get the top jobs?

They use the FT.

Senior business people all over Europe use the FT throughout their working day.

They use it to keep up with the news, views, issues and most importantly the opportunities.

So for key national and international appointments, using the FT gives them [illegible] wider choice of the top jobs.

Today Europe is the job market and the FT, Europe's business newspaper, is where to find it.

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER

ACCOUNTANCY COLUMN

Leading firms start to feel recession bite

By David Waller

[illegible] LATE [illegible] Ernst & Young made [illegible] qualified audit [illegible] redundant. Although [illegible] number [illegible] in comparison with [illegible] head count [illegible], the [illegible] mark [illegible] important psychological turning point: [illegible] recession is [illegible] beginning to catch up with the big firms.

The redundancies [illegible] provide a disturbing reminder [illegible] UK's chartered [illegible] hard-won qualification does not guarantee job security for life. Other types of jobs have been axed in the past – Ernst & Young despatched nearly 40 consultants last year – but it is unprecedented in recent years for big firms to shed qualified audit staff.

Furthermore, [illegible] redundancies illustrate the [illegible] that accountancy firms are [illegible] insulated [illegible] general [illegible] of the [illegible]. [illegible] firms – [illegible] Spicer & Oppenheim that was – felt the cold wind earlier. The insolvency departments of [illegible] big [illegible] getting busy 18 months ago. But it is only [illegible] that the larger firms are feeling their [illegible] being squeezed [illegible] senior partners [illegible] seriously.

The big six, [illegible] the big eight [illegible] they evolved, acquired [illegible] shape [illegible] conglomerates in [illegible] heady [illegible] the mid-to-late '80s. The conditions that created them have patently [illegible]. The vaulting growth, the [illegible] the profession for [illegible] long, will be checked. How will they adapt [illegible] change of pace?

Moreover, many if not most of the partners who run the firms have built their careers in the unusually buoyant conditions of the 1980s. They have known only growth and expansion. How will they cope as the recession deepens?

The recession of the early 1980s provides little guide to what may happen this time round. The [illegible] were then much smaller in absolute terms and provided a much narrower range of services.

The recession afflicted the Midlands and other industrial areas rather than London and the south-east, leaving [illegible] practices [illegible]tively unscathed.

The dearth of mergers and acquisitions activity is having an impact across the board

Talking around the big firms, it is clear that Armageddon is not immediately round the corner: the firms are [illegible] bracing themselves for serious [illegible] yet no [illegible] partner [illegible] for a material number [illegible] redundancies.

It is no surprise to find that insolvency [illegible] keeping [illegible] lot of people frantically busy. The [illegible] mergers and acquisitions activity [illegible] having an impact across the [illegible]. Special [illegible] – such as corporate finance – has tailed off [illegible] types of consultancy services has slackened. Tax [illegible] are still able to sell their services.

Audit simply [illegible] the unexciting [illegible] always been, although [illegible] firms [illegible] done well [illegible] the [illegible] reshuffling [illegible] important [illegible] the [illegible] in 1989. To name but a few examples: KPMG [illegible] up Rolls-Royce and [illegible] Wireless; Price Waterhouse [illegible] gained Christian Salvesen and Guardian Royal Exchange; [illegible] Young won the United Biscuits audit.

Coopers & Lybrand Deloitte has the largest consultancy arm of any firm. "Using the word 'recession' is simplistic," observes Mr Malcolm Coster, head of the division. "We find that different sectors of our market are behaving in different ways. Those companies with high energy costs, or with high borrowings, or those who sell luxury goods, are suffering."

Those types of client, he says, are in the market for cost-reduction exercises and little else. "But plenty of our clients fall outside these categories", and remain buyers of the firm's other consultancy services.

The net result is that in the eight months since the beginning of May last year, staff utilisation in consultancy is down 3 per cent across the board, to 61 per cent, against the same period in the previous year. Nominal growth in fees, which was 30 per cent in 1989-90, is likely to drop to less than the budgeted 20 per cent in the year to May, suggesting real growth of [illegible] than 10 [illegible]. The firm employs [illegible] consultants, [illegible] whom "two or three" are leaving each week, according to Mr Coster.

Mr Elwyn Eilledge, senior partner of Ernst & Young, is unwilling to be specific about his firm's figures, but [illegible] candidly [illegible] that the firm had a difficult time in its first trading period – the ten months to June last year.

The figures were only finalised, and partners' drawings calculated, at the end of last month. Mr Eilledge admits that the former at least were "very disappointing".

The labour market is, for once, on the side of the firms rather than the qualified staff

The [illegible] for [illegible] to do [illegible] recession than with the merger of Ernst & Whinney and Arthur Young. The merger costs – all of which were provided for in the first accounting period – were higher than expected, mainly because of the costs of shuffling the firms' staff from one London office to another. Consultancy performed badly but has now picked up. Mr Eilledge says that while the firm failed to meets its internal budget in the ten months to June, it has been on target in the past six months. "It's the next six months that I'm worried about," he admits. "One [illegible] little comfort from [illegible] fact that our insolvency department [illegible] absolutely booming."

Mr Eilledge dismisses last month's redundancies as "belt-tightening" and makes the point that the labour market is, for once, on the side of the firms rather than the qualified staff.

That is corroborated by other firms and recruitment consultants: the firms are finding it much easier to keep hold of good, qualified staff who might otherwise have drifted into the City or industry. In time, the pressures that have led to rampant salary inflation will probably [illegible] off, too.

Mr Eilledge makes another point: that the market for audit services – [illegible] staple of the firms, providing a guarantee of stable cash flows at a time when transaction-based and other non-recurrent fees are dwindling – is fiercely competitive and the price at which firms are prepared to do audits is dropping.

The fierce competition is not confined to audits: Mr Coster talks of using the recession as an opportunity for Coopers [illegible] gain competitive advantage and [illegible] its share of the UK market from 15 to 20 per cent.

Mr Brandon Gough, Coopers' chairman, says that he fin[illegible] the [illegible]pect of the battles ahead – fought [illegible]t [illegible]ionary backdrop – "exciting". However, for many individual accountants – and the weaker firms – the coming months and years are likely to be more alarming than exciting.

ACCOUNTANCY APPOINTMENTS

Agent Bank ... Company, London ... Agent Bank ... UK toll-free number: 0800 289 137

هكذا من الأجل

Finance Director Designate

West End

£40,000 + Car

Our client has achieved recognition as a specialist in the provision of professional services to industry and commerce. Whilst formed only five years ago, the company [illegible] continually developed and expanded its quality [illegible] and, as a result, has built up a range of *assignments with a first class blue-chip* client base.

As a direct consequence of this organisation's [illegible] and their *expansion plans* for the future, there is an *immediate* requirement to appoint a highly motivated and commercially astute Finance Director designate who will play an essential part in the running of the business. The role, reporting directly to and working closely *with the Managing Director,* will [illegible] full accounting and financial responsibilities. Furthermore, as the company is poised for rapid growth the appointee [illegible] bring sound commercial direction and vision to the business in assisting its future prosperity.

Candidates, aged in their 30's, should be qualified accountants with a practical, shirt sleeves and enthusiastic approach to these responsibilities in addition to having good organisational ability. This *is an excellent opportunity and a real* challenge to progress with a highly ambitious group.

Please telephone or write enclosing a *full curriculum vitae quoting ref: 551 to:*

Philip Cartwright FCMA,
97 Jermyn Street,
London SW1Y 6JE.
Tel: 071-839 4572

Cartwright Hopkins

FINANCIAL SELECTION AND SEARCH

Appointments Advertising

appears every

Wednesday, Thursday and Friday
(International Edition only)

For further information please call:

Jennifer Hudson
071-873 3607

Richard Jones
071-873 3460

Denise Morrice
071-873 3199

FINANCIAL TIMES

FINANCIAL CONTROLLER

Milan
Construction Industry
Salary negotiable

Our client, a newly established Italian company jointly owned by one of the United Kingdom's leading construction and civil engineering groups, is seeking an ambitious Italian-speaking Financial Controller to become a key member of [illegible] senior management [illegible]

[illegible] headquarters in Milan and reporting [illegible] Italian Managing Director, you will [illegible] responsible for *the introduction* [illegible] implementation of proper systems and controls for [illegible] management, preparation of company [illegible] and all *other aspects of* [illegible] company's financial affairs.

Bilingual and unlikely to be aged under 30, you should have broad-ranging financial and administration experience gained at a senior level in industry. A relevant British or Italian qualification is essential, [illegible] a knowledge *of the construction industry* would be an advantage.

Salary is negotiable and will not [illegible] a barrier in selecting [illegible] applicant. Benefits are those expected from a successful progressive employer, including relocation [illegible] to Italy, as appropriate.

[illegible] send full career details, quoting **Ref: G2062/FT,** [illegible] **PA Consulting Group,** Advertising [illegible]d Communications, Number Two Blythswood Square, Glasgow G2 4AD. All replies will [illegible] forwarded to our [illegible]. [illegible] list separately any companies to which they should not be [illegible].

PA Consulting Group
Creating Business Advantage

Executive [illegible] · [illegible] Resource Consultancy · Advertising [illegible]

Director - Financial Controller

Major Services Group

Up to £60,000 Package — London

Outstanding challenge for a first class finance professional to apply skills from industry in the management of change within a dynamic, commercially driven public corporation. Opportunity significantly to affect the bottom line.

THE COMPANY
- High profile public group.
- Numerous subsidiaries operating [illegible] autonomous basis.
- Substantial capital expenditure programme and demanding financial targets.

THE POSITION
- Full responsibility [illegible] Group level for management accounting and control. Report [illegible] Main Board member.
- Key role in developing and implementing effective control systems.
- Stimulate and co-ordinate businesses to generate continuing cost and efficiency improvements.

QUALIFICATIONS
- Tough, commercially minded Accountant, preferably Chartered, aged 35–45.
- Senior financial management experience from a major, sophisticated, tightly controlled industrial or commercial group.
- Enthusiastic and hard driving, diplomatic manager of change.

Please write, enclosing full cv, Ref J5145
54 Jermyn Street, London, SW1Y 6LX
071-493 6392

N·B SELECTION LTD — SENIOR FINANCIAL RECRUITMENT

LONDON · SLOUGH · BIRMINGHAM · MANCHESTER · BRISTOL · GLASGOW · ABERDEEN

Finance Director

Leading Regional Newspaper Group

c. £50,000 + Options — Hants/Dorset

Successful media plc requires an accomplished and able finance professional to lead a first class business orientated finance function, and to play a significant role in creating and developing future strategy.

THE COMPANY
- Well established, diversified communications group. [illegible] leading stable of local daily, weekly [illegible] free newspapers.
- Subsidiaries across Southern England, decentralised operations. Turnover circa £80m.
- Strong balance sheet. Minimal gearing. Record of acquisitions.

THE POSITION
- Key board position responsible to the Chief Executive for all financial and accounting [illegible].
- Liaising with City and other professional advisers. Optimising shareholder [illegible]ns.
- Assessing and enhancing procedures as necessary. Full strategic involvement.

QUALIFICATIONS
- Committed and pro-active finance director. Proven performer, ideally with plc experience.
- Sound knowledge of tax, treasury and corporate financing. Ambitious and commercially minded.
- Developed communica[illegible] and negotiation skills. Calibre [illegible] operate at the strategic level.

[illegible] write, enclosing full cv, Ref AK0206
37 Queen Square, Bristol, BS1 4QS
0[illegible] 308639

N·B SELECTION LTD — SENIOR FINANCIAL RECRUITMENT

LONDON · SLOUGH · BIRMINGHAM · MANCHESTER · BRISTOL · GLASGOW · ABERDEEN

GRAND METROPOLITAN

....adding value

The Grand Metropolitan Group [illegible] *universally recognised as a dominant global force in the highly competitive international branded food, drinks and retail sectors. It has sustained* [illegible] exceptional record of compound growth through consistently producing high quality products [illegible] which value is added by powerful branding and marketing. The Group [illegible] well positioned *to sustain and develop a diverse portfolio of businesses through* [illegible] *significant financial and management strengths.*

DIRECTOR OF FINANCIAL PLANNING

West End — c.£65,000 + Bonus + Car

Reporting to the Group Financial Controller, your responsibilities will include the control and coordination [illegible] the Group Financial planning process, [illegible] short [illegible] and long range, through extensive liaison with sector and divisional personnel together [illegible] group finance related functions. You will be required to [illegible] effective working relationships [illegible] senior management in a [illegible] environment, providing strong functional leadership for the achievement of objectives by consensus.

A high degree of self-confidence, presence and credibility [illegible] essential characteristics in order [illegible] the challenges [illegible] demanding, high profile role.

You [illegible] *an impressive* [illegible] *of* [illegible] *progression* [illegible] *a large corporate environment,* [illegible] a recognised accounting qualification. Familiarity [illegible] PC-based financial modelling techniques [illegible] essential. [illegible]

DIRECTOR OF FINANCE SYSTEMS

Uxbridge — c.£45,000 + Bonus + Car

Reporting to [illegible] *Business Systems Director, this newly created position will* [illegible] *responsible for* designing and implementing finance initiatives which will assist the operating companies to [illegible] major business benefit. The role is advisory and developmental in nature, and [illegible] involve substantial liaison with financial management, to [illegible] that high quality management information is [illegible] to ensure swift response to the needs of this [illegible] moving business.

Persuasiveness, self-motivation and sound commercial [illegible] are essential characteristics for [illegible] in this high profile [illegible] in which the ability to effect change is vital.

Candidates, preferably in their mid-thirties, should possess significant finance systems experience, *within both a line management and management consultancy environment. A recognised accounting* qualification is considered desirable. [illegible]

Both of these high profile positions will offer an attractive salary, performance related bonus, executive [illegible] and associated benefits. Prospects for [illegible] advancement within this progressive and demanding environment will be limited only by personal ability.

For further information, please contact James Hyde, Managing Director, on 071-287 2820 or, alternatively, send a detailed CV to [illegible] address below, quoting the appropriate reference number [illegible] each [illegible]

ST. JAMES ASSOCIATES

MANAGEMENT SELECTION

32 OLD BURLINGTON STREET, LONDON W1X 1LB FAX: 071-287 2821. TELEPHONE: 071-287 2820.

A GKR Group Company

System Software Associates

SSA

The world's largest independent IBM mid range application software company

Requires

Finance Director, Europe

Frimley, Surrey

SSA Europe's exponential revenue and profit growth over the last 3 *years and success throughout Europe has led to the requirement* [illegible] appoint a Senior [illegible] Executive.

Reporting to [illegible] *Managing Director of* [illegible] *Europe Ltd, the* successful applicant will [illegible] *a key member of the* [illegible] *highly* [illegible] *Executive Management Team executing the strategy to* further develop [illegible] SSA's European [illegible]

The successful candidate will have a proven track record of using the finance function [illegible] management and business *objectives. Will be professionally qualified and have excellent* technical skills to include financial accounting, analytical and internal systems. *Will have multi-national company experience and* knowledge of the European market-place. *Will have a high energy level and enjoy working in a dynamic, challenging and fast moving* environment with highly motivated colleagues.

If you feel you meet the above criteria and would be enthusiastic to join one of the fastest growing and most successful software companies in Europe, please write to me Terry Osborne, *Managing* Director, SSA Ltd., *Frimley Business Park, Camberley, Surrey* GU16 5SG. Tel: 0276 692111.

The Authors of **BPCS & AS/SET**

FINANCIAL CONTROLLER

• A future Financial Director •

Surrey — to £40,000 + bonus, car & benefits

Our client, the UK affiliate of a US based organisation, [illegible] a rapidly expanding supplier of [illegible] services in the UK with future plans for expansion into Europe. The markets in which [illegible]r client operates [illegible] particularly fast moving and competitive and the need [illegible] recruit a highly [illegible] Financial Controller is imperative.

Reporting [illegible] the Finance Director the successful candidate should have familiarity with US accounting principles [illegible] well as *previous exposure to* [illegible] *international* environment. As the company expands and looks [illegible] Europe, the continuing development and enhancement of computerised systems and controls will [illegible] an important facet of the position. Equally important will [illegible] the flexibility [illegible] lead and motivate a financial and accounting team of around 35 people.

Successful candidates will have a [illegible] of technical ability which together with highly *developed interpersonal skills will quickly* enable them [illegible] credibility [illegible] within and outside the accounting function. Energy, drive and a strong commercial orientation are also prerequisites for a role which will [illegible] director status in due course.

Interested candidates should send a [illegible] CV [illegible] Diana Westlake, quoting reference A1234 and providing remuneration details and day and home telephone numbers. Our client will have sight of all applications; therefore please list any companies to whom your cv should not be sent.

KPMG Selection & Search
70 Fleet Street, London EC4Y 1EU

Financial Controller

Surrey, c £30,000, Car, Benefits

As the acknowledged market leader in the distribution of highly specialised pipeline products, this [illegible] company [illegible] a subsidiary of a *highly successful British plc engaged in* a wide range of supply related activities.

Through its multi-site distribution network [illegible] has built an unrivalled reputation for [illegible] quality of service and customer support.

Reporting directly [illegible] the Managing Director your key task will be to review the current accounting system and introduce improved reporting methods and tighter financial controls where necessary. As a member of the management team you will be expected [illegible] play a pro-active role in formulating the strategy and direction of the company. The Total Quality philosophy of the company must be embraced and will require the introduction of measures to ensure this is achieved.

Demonstrating broad based commercial acumen, your financial management skills will be well developed and ideally gained in a service orientated industry. Aged 30 *plus and ACA/FCA* qualified, you must possess [illegible] professional attributes of an accomplished manager and communicator.

Long term [illegible] prospects are excellent for candidates *able to demonstrate the commitment* and professionalism that are the hallmark of this company.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a Personal History *Form to, C. Jenkins,* Hoggett Bowers plc, *George V Place,* [illegible] *Thames Avenue,* WINDSOR, *SL4 1QP,* 0753-850851, Fax: 0753-853339, *quoting Ref: T11030/FT.*

Hoggett Bowers

BIRMINGHAM, BRISTOL, CAMBRIDGE, EDINBURGH, LEEDS, LEICESTER, LONDON, MANCHESTER, NEWCASTLE, WINDSOR and EUROPE

FINANCE DIRECTOR

Growth Manager & Strategist

Sussex up to £60,000 cash package, equity scheme, exec benefits

Our client has become an independent world leader within its [illegible] of avionics and high technology electronics through continuous innovation, which has led [illegible] an impressive record of consistent growth. A Finance Director with a proven track [illegible] in the management and achievement of growth [illegible] now sought to join the main board to help the team take [illegible] company through the £100m per annum turnover figure.

A member of the main holding company board, the appointee will be expected to advise on and contribute [illegible] short [illegible] long term strategies, their implementation [illegible] communication [illegible] management. Project control experience will be necessary, as will evidence of successful treasury, cash and taxation management. Responsibility will encompass the IT function and entail the complete review and subsequent enhancement of all financial and management information systems. He/she will also assume responsibility for company secretarial, risk and legal matters.

Suitable candidates should fit into [illegible] entrepreneurial environment, have the presentation skills [illegible] liaise, in conjunction with the Managing Director, with investors and other third parties. A previous Finance Director role in [illegible] growth engineering and manufacturing organisation, together with experience in aerospace/electronics within [illegible] international marketplace, would enhance [illegible] application. The line management of [illegible] 30-man team will require good 'people' skills.

The remuneration package will include a negotiable share ownership scheme; relocation assistance will be provided where necessary. Interested candidates should send comprehensive CVs together with present remuneration details, day and home telephone number to James Forte [illegible] the address below, quoting ref. D0175.

KPMG Selection & Search
70 Fleet Street, London EC4Y 1EU

CONTROLLER

SWITZERLAND

Manufacturing and Distribution

Our client is [illegible] rapidly growing Swiss [illegible] international subsidiary of a US parent company. They [illegible] Controller [illegible] take complete financial responsibility for [illegible] high [illegible] value [illegible] products business, including manufacturing and distribution operations.

The job holder [illegible] report [illegible] Chief Financial Officer in the USA and the [illegible] General Manager. Managing [illegible] small department, your responsibilities will include financial control, analysis and reporting, budget preparation and analysis, general accounting, cash management and multi-currencies, treasury, MIS and inventory management activities. You will also work closely w[illegible] tax accountants and [illegible] auditors.

Candidates for the position must be graduate, CPA or Chartered Accountants with at least [illegible] years' post qualification experience in industry. You must have line management experience in [illegible] manufacturing [illegible] distribution business, preferably with [illegible] company [illegible] exceeding $200 million turnover, in an international environment. You should also have hands-on experience of developing financial controls, reporting systems, budgeting, standard costing and multi-currencies. The ability [illegible] speak fluent French [illegible] distinct advantage.

The compensation and relocation packages [illegible] be excellent. Please send your career details, including current salary details to Barry Skates [illegible] our Maidenhead office. From [illegible], the fax number is: 44 [illegible] 770065.

MKA EXECUTIVE SEARCH AND SELECTION LIMITED
MKA House 25 King Street
Maidenhead Berks SL6 1EF
Telephone (0628) 75355
Fax (0628) 770065

MKA

BELGIUM • FRANCE • GERMANY • ITALY • SPAIN • SWEDEN • SWITZERLAND

Financial Controller

Rural Lincolnshire c£33,000 + Car + Benefits

Our client is a £250m [illegible] FMCG subsidiary of a £3.5 billion turnover group, and comprises four divisions – processed fruit and vegetables, meats, petfoods and chilled products.

[illegible] continuing dramatic growth has been ensured by progressive management of the business and the acquisition of leading brands.

A position has arisen for a Financial Controller within the Fruit & Vegetable Division. Reporting directly to the Managing Director of the Division, with functional responsibility to the Company's Financial Director, your main responsibilities will include:

- Cost management/performance enhancement.
- Budgetary control.
- Capital expenditure.
- Cost accounting.
- Accounts payable/receivable.
- Interpretation/analysis of monthly management information.
- Fixed [illegible] control.
- Cash management.

To be considered for this role, [illegible] strong personality and excellent communication skills are essential, [illegible] you will be working closely with both management and production staff [illegible] a dynamic environment. You must be [illegible] qualified accountant, probably in your mid 30s, with several years' managerial experience, preferably in FMCG.

The salary package is negotiable, and relocation facilities will be provided where appropriate.

To apply, please write with full curriculum vitae to Richard Andrews at Michael Page Finance, Imperial Building, Victoria Street, Nottingham NG1 2EX.

Michael Page Finance
International Recruitment Consultants
London Bristol Windsor St Albans Leatherhead Birmingham
Nottingham Manchester Leeds Glasgow & Worldwide

Newly/Recently Qualified ACA's

Acquisitions/Projects/Strategy....

City to £30,000 + Car + Mortgage

'Corporate Development' is a dynamic [illegible] challenging business environment covering numerous financial projects. Our client is a UK blue-chip Merchant Bank who have created a role for a young ambitious Chartered Accountant (24-28) currently [illegible] of [illegible] major practices. This high profile role will provide exposure to:–

- ▲ Acquisitions
- ▲ Strategy
- ▲ Projects & European [illegible]
- ▲ Investment Analysis

You must be self motivated and confident in your ability to perform [illegible] highest level, which [illegible] that well developed communication skills will be essential. You must [illegible] computer literate and preferably possess some experience of "specials" [illegible] mainstream auditing.

Having gained your [illegible] qualification, [illegible] an ideal opportunity to apply your technical skills within a [illegible] moving commercial environment. A formal induction [illegible] training programme ensures you create [illegible] smooth [illegible] successful transition. Outstanding [illegible] expect early recognition and rapid career progression.

Newly/Recently Qualified ACA's seeking a first move into Banking, away from line accounting, should contact STEPHEN BOWIE on 071-404 3155 at Alderwick Peachell & Partners Ltd., 125 High Holborn, London WC1V 6QA. Fax 071 404 0140. Applications are advised to be made promptly.

Alderwick and Peachell & PARTNERS LTD

Financial Controller

To £40,000 + Car + Mortgage Central London

- Our client is a prestigious group of companies providing specialist [illegible] services. The group is undergoing considerable reorganisation following [illegible] recent change in ownership which [illegible] expected to result in expansion within both the domestic and international markets.
- A new role has been created to support the group's continued development. Reporting to the Group Finance Director, the scope of this opportunity is wide, with particular emphasis placed on [illegible] improvement and overall management of the financial function. Specifically, this will require developing the group's financial systems to provide pertinent management information.
- Candidates should be qualified accountants in the [illegible] 28-35 with good technical and staff management abilities. Experience of consolidations, developing management information and implementing computerised systems [illegible] essential and knowledge of the financial services sector would be advantageous but is not a prerequisite. The role will suit a self-motivated individual who enjoys working autonomously in the smaller company environment.
- **Please reply, [illegible] confidence, quoting reference number CA296, giving career and personal details to Carrie Andrews at Ernst & Young Corporate Resources, 21 Conduit Street, London W1R 9TB.**

ERNST & YOUNG

CORPORATE RESOURCES

FINANCE DIRECTOR, EUROPE

Key Business Manager

Uxbridge to £50,000 + car + benefits

MAYNE NICKLESS LIMITED

The Mayne Nickless Group, [illegible] of Australia's largest public companies, offers [illegible] truly international network of services. Sales [illegible] from its transport, security and healthcare activities, spanning [illegible] countries, was in the region of £1.2 billion in [illegible] known in the UK [illegible] Parceline, DPE, Security Express Limited and Armaguard and in Europe [illegible] Heijden Transport, DPE International, GMIC Seguridad [illegible] Transportes Helguera, the company is extending its European profile by measured growth through development and acquisition.

The Group seeks [illegible] seasoned accountant [illegible] join [illegible] lean European head office [illegible] play a key role in the identification and shaping of corporate strategies [illegible] goals for the European operations. With overall responsibility for the coordination of accountancy, treasury, risk management, taxation and company secretarial activities, a combination of strong technical and managerial skills with long term strategic vision is essential.

Applicants [illegible] demonstrate a successful track record of financial management within an international/European environment [illegible] interaction [illegible] board [illegible] senior management level, requiring strategic input [illegible] an understanding of a large company's long [illegible] goals.

An accountancy qualification [illegible] essential [illegible] European language [illegible] would [illegible] strong advantage since communication with colleagues and the ability [illegible] adopt a flexible approach [illegible] essential [illegible] the [illegible] of the role. To apply, please [illegible] a full curriculum vitae giving current salary details [illegible] Hilary Douglas, quoting reference M8923/1.

KPMG Selection & Search
70 Fleet Street, London EC4Y 1EU

Financial Controller

Sussex c£35,000 + Car

Our client [illegible] a subsidiary of [illegible] of the UK's largest financial services organisations. In the last three years they have established themselves as a major force within the property services industry, this growth being achieved both organically and by acquisition. Their objective [illegible] to become a market leader in the next three years.

One of the keys to their success has been strong financial control throughout the organisation. Currently, due [illegible] growth within their operations in the South of England, they [illegible] need [illegible] recruit a high calibre Financial Controller.

Reporting to the subsidiary's Managing Director, specific responsibilities will include:–

- overseeing the preparation of management and statutory [illegible]
- systems development
- strategic planning – specifically focused on development through acquisitions [illegible] well as organic growth
- responsibility for non-accounting departments

The successful candidate will be aged 30+, [illegible] qualified ACA/ACMA/ACCA ideally with post qualification experience gained within a commercial, expanding organisation. Essential personal qualities will include a strong, disciplined approach with well developed interpersonal skills and proven management experience. In addition, they must have the determination to succeed within a professional environment.

An attractive remuneration package will be offered with a flexible salary to ensure the best candidate is attracted, as well as relocation assistance, fully expensed [illegible] car etc. Career prospects are excellent.

Interested applicants should [illegible] Richard Wright at Michael Page Finance, Cygnet House, 45/47 High Street, Leatherhead, Surrey, KT22 8AG or telephone him on (0372) 375661.

Michael Page Finance
International Recruitment Consultants
London [illegible] Windsor [illegible] Leatherhead Birmingham
Nottingham Manchester Leeds Glasgow [illegible] Worldwide

GROUP FINANCE DIRECTOR

Young "High Flyer" for Dynamic Plc

North West c£35,000 + car + share options + benefits

In only two years under [illegible] new Chairman, this ambitious Group has laid the foundation [illegible] develop a substantial business aimed at the provision of goods and services [illegible] clearly defined niche markets.

They have quickly established three profitable divisions, each with scope to grow both organically and by acquisition. A successful introduction to the USM in 1990 has served [illegible] provide further funds to make this happen, and [illegible] also raised their profile as a group with high potential.

This is an outstanding opportunity [illegible] join the Board as a key player in the creation and management of growth. As Group Finance Director and Company Secretary you will report to and work closely with the entrepreneurial Chairman and provide a range of commercial and financial services including group reporting, treasury control and corporate development and finance. Since the group is highly acquisitive you will be involved in targeting and making acquisitions which will include liaison with City institutions and professional advisors. The subsequent integration of such acquisitions will [illegible] your responsibility.

Likely to be [illegible] your early 30's, you will [illegible] Chartered Accountant with an excellent academic and professional [illegible] record, preferably combining exposure [illegible] both corporate finance [illegible] commercial management within [illegible] Plc environment. You will [illegible] hungry for [illegible] brief [illegible] will be demanding [illegible] in terms of total commitment and intellectual ability. [illegible] importantly you will possess the commercial flair, incisive business judgement and interpersonal skills to quickly establish credibility with [illegible] and [illegible] Company's advisors.

The salary and benefits package will reflect the importance of the appointment and will not prove to be a limiting [illegible] in the final selection process.

Interested applicants should forward a curriculum vitae in complete confidence to [illegible] Hill at Stark [illegible] Associates, [illegible] Floor, St. James's Buildings, [illegible] Street, Manchester M1 6FQ [illegible] telephone her [illegible] 061 [illegible] 1212 (evenings and weekends [illegible] 7477).

STARK BROOKS ASSOCIATES
Accountancy Recruitment Consultants
MANCHESTER ◆ LEEDS

هكذا من الأصل

Manufacturing Accountant

Essex

£30,000 package

Our client is a *leading high quality* cosmetics group that manufacturers and markets well known ranges of branded products. This profitable group with operations worldwide and turnover in excess of £100m is going through an exciting phase of development and improvements that is affecting all aspects and disciplines of the business.

As a part of these changes, in a [illegible] moving environment, the [illegible] appointment of a Manufacturing Accountant is to be made. The company is multi-sited, and although reporting to the Finance Director, the position is the senior financial post on site. As such, with a team of eight staff, the role will work closely with the Manufacturing Director. Key requirements for this position [illegible] for strong experience in implementing computerised systems along with sound *knowledge of standard* costing and all other financial matters *that impinge on the production* operations.

Candidates will be qualified accountants, [illegible] late 20's, with good inter-personal skills, practical common-sense and the ability to make positive changes and improvements to the workings of the operations. Career prospects with this group are excellent.

Please telephone or write enclosing a full curriculum vitae quoting ref: [illegible] to:

Philip Cartwright FCMA,
97 Jermyn Street,
London SW1Y 6JE.
Tel: 071-839 4572

Cartwright Hopkins

FINANCIAL SELECTION AND SEARCH

FINANCIAL PLANNING AND DEVELOPMENT MANAGER

Surrey — **c£35K + bonus + options + car**

Our client, a medium-sized UK plc with [illegible] subsidiaries, [illegible] a **strong, cash-rich,** [illegible] and is poised to enter an exciting period of both organic and acquisitive growth. The company wishes to strengthen **the small, ambitious head office team** and [illegible] an individual [illegible] a [illegible] ranging role. Working closely with the Board, *responsibilities* will include **business planning, group** [illegible] **work,** preparation of statutory accounts plus *involvement with* **acquisitions,** corporate taxation and company secretarial duties.

The appointee will be a **computer literate,** *qualified accountant, aged 28-35, with* preferably [illegible] post-qualification industrial experience ideally gained in a group environment. *Personal characteristics sought* include a **pro-active** *attitude,* a lively and **enquiring mind,** a [illegible] approach to work and the ability to communicate at [illegible] *level.*

The *package* includes a [illegible] salary [illegible] £35K, performance [illegible] bonus, company car and the usual fringe benefits. Share options will be made available after a period of satisfactory performance.

For further details write with CV [illegible] **Page, Divisional Director, Anderson** [illegible] **Management** [illegible] **Ltd.,** [illegible] **Bridge Street,** ***Northampton* NN1 1PA, quoting ref.** [illegible]

Anderson Smith
EXECUTIVE SELECTION & SEARCH
NORTHAMPTON CATERHAM

GROUPWIDE RESPONSIBILITY AND INTERNATIONAL INVOLVEMENT IN NEWLY-ESTABLISHED ROLES

Reading — **c. £30,000 + car + benefits**

Acquisitions, joint ventures, new business development, significant capital projects and quality/efficiency initiatives are all characteristic of the business environment of today's Thames Water Group.
As a FTSE 100 company, we have developed into a global business with net assets in excess of £1.3 billion and are aiming to achieve £1 *billion* turnover worldwide by 1992. This is a time of change and challenge for Thames Water, and we are now looking for two high-calibre professionals to contribute to our future growth.

Investigations and Special Audits Manager

In this newly-created role, you will be instrumental in adding value to our business. Responsible to the Group Chief Auditor, you will manage and lead investigations, special reviews and designated special audits throughout the Group, which includes international subsidiaries.
A graduate ACA or equivalent, you will demonstrate an extensive range of professional experience, including audit, investigation and special work and preferably some international exposure. Self-motivated and confident, you will be able to communicate effectively at all levels and have the flexibility to achieve results in an environment of change. **Ref:- GA/MG1-59**

Assistant Treasurer - Commercial Services

Part of our small, well-established Treasury Department, this new position will give you responsibility for the control of banking facilities worldwide. You will make full use of your experience in loan documentation, export finance, issuing contract bonds and guarantees and opening and negotiating letters of credit.

Professionally qualified, you will come from a corporate treasury background and be familiar with the many different financial markets in which a Treasury operates. Excellent communication and negotiating skills are essential and you will enjoy the opportunity to take *initiatives in developing the role.* **Ref:- GT/MGE-V5**

Both these positions offer the scope to make real impact and the opportunities for future progression within the Group are excellent for those with the necessary commitment and ability.

We offer a competitive package including company car, contributory pension scheme, BUPA, PRP, relocation assistance, where appropriate, and staff restaurant.

Please write with your cv, quoting the appropriate reference number to Sharon Bignall, Personnel Officer, Thames Water plc, Nugent House, Vastern Road, Reading RG1 8DB.

Thames Water

GROUP FINANCIAL CONTROLLER

Brussels — Excellent Salary Package

'Our client, an international service organisation, with operations in most of the major economic centres, continues to experience an enviable growth record within its particular niche market.

Due to this expansion, the group coordination centre, based in Brussels, seeks to appoint a Group Financial Controller to complement the Senior Management team.

Key responsibilities will include the development of management information systems, accounting policies and reporting procedures.

As a qualified accountant you will have a minimum of [illegible] years international commercial experience, probably within a multi-currency environment.

You will already possess proven management and communication skills and have worked effectively under pressure.

In return the successful candidate will receive an excellent salary package plus unrivalled career opportunities within a fast expanding group.

Interested applicants should telephone Paul Cashman on 010 322 648 47 47 (fax 010 322 640 8611), or write to him, enclosing a detailed CV, at the address below.

ROBERT • WALTERS • ASSOCIATES
RECRUITMENT CONSULTANTS
512 [illegible] BTE 3
1050 Brussels
Telephone: [illegible] 47 47

Finance Director

North West England
Circa £35,000 p.a. + car & benefits

Our client is a major operator in a Service Industry which wishes to appoint a new Finance Director to co-ordinate a disparate multi site finance function into a centralised computerised operation. Systems will need to be overhauled and particular emphasis placed on tight time schedule *management reporting, stronger credit* and cash control, and budget preparation and presentation.

Candidates (30-40ish) will be qualified Accountants with senior finance management experience and importantly a commercial rather than pure accounting approach to the function. The remuneration package is very good and potential for the appointment above average.

Apply in confidence, quoting *Ref.* 616, to *Hamilton Howatt,* FCA., ERP International, 310 Chester Road, Hartford, Northwich, CW8 2AB, enclosing C.V. and stating how you meet our clients requirements. Both men and women may apply.

ERP
in association with
John Courtis and Partners

HEAD OF FINANCE

"Challenging senior finance role at a time of major change within the NHS"

Tyne & Wear — **c.£37,000 + Lease Car + PRP + Benefits**

Northern Regional Health Authority

The health care of over three million people in the region is delivered through 16 district Health Authorities and 9 Family Health Service Authorities at an annual cost of around £1.3 billion. In addition to determination of policy and strategic vision, the Regional Health Authority is responsible for ensuring that the regional allocation is managed effectively in order that required levels of service, performance and quality are achieved.

This is a key role and as a member of the Top Management Group based at the Regional H.Q. in Newcastle, you will play a vital part in guiding the Region through the major changes currently underway within the NHS. Reporting to the Executive Director - Finance and Business Strategy, the successful candidate will be responsible for a team of around 50 people providing leadership and support to colleagues throughout the region in achieving the objectives of the reforms and the region's strategic goals. In this wide ranging role, accountability will also encompass the financial control of the Region's H.Q. activities including a number of Trading Agencies.

Highly pro-active, candidates must be able to demonstrate strong communication and managerial skills, and be capable of developing ideas and instigating change in a rapidly evolving environment. A strong record of achievement in or outside the public sector is essential, together with the personal flair and vision to lead a highly motivated team. This represents a challenging career opportunity for an ambitious, qualified Accountant, to make a worthwhile contribution *to one of* the most *fundamentally important* services in the area.

For further information, please contact Kevin A. Gordon, Regional Director, quoting ref: 91M/1591FT at Daniels Bates Partnership Ltd., 5th Floor, Sun Alliance House, 16 Albert Road, Middlesbrough TS1 1PR - (0642) 248111.

Daniels Bates Partnership
PROFESSIONAL RECRUITMENT
Offices throughout the U.K.

Finance Director

To £40,000 + car + benefits — ***Greater Manchester***

▪ *Our client, a highly successful manufacturing/distribution company with a turnover of c£5M is poised for significant and exciting growth.*

▪ *In line with the considerable organisational and strategic developments that will accompany this growth, a commercially minded, 'hands-on' Finance Director is required to join a management team headed by a dynamic, entrepreneurial Chairman.*

▪ *With responsibility for Finance, Computer Systems, Administration and Personnel, the appointee will have a crucial role in ensuring the smoothest running of operations through the effective management of people and the establishment/development of sound systems [illegible] the company.*

▪ *Applicants [illegible] have extensive experience in manufacturing/distribution accounting systems. The successful candidate will be a qualified accountant, aged 35–45 with first-hand experience of evaluating, implementing and up-dating a range of information support systems.*

▪ *Personal qualities must include maturity, adaptability and a high degree of self-motivation blended with initiative, energy and commitment.*

▪ *For the ambitious individual dedicated to the pursuit of quality through team effort this opportunity offers exceptional prospects.*

▪ ***Please apply in writing, giving CV and salary details and quoting [illegible] F/112/B, [illegible] Bailey, [illegible] & Young Corporate Resources, Lowry House, 17 Marble Street, Manchester M2 3AW.***

ERNST & YOUNG

CORPORATE RESOURCES

NATIONAL HERITAGE MEMORIAL FUND

Deputy Director (Finance) £24,641 rising to £27,871

The National Heritage Memorial Fund wishes to appoint a Deputy Director (Finance) who will be responsible, through the Director, to the Trustees for the supervision of all financial aspects of the Fund's activities. The Fund gives financial assistance to conservation bodies towards the acquisition and preseravation of items of importance to the national heritage such as works of *art, buildings and areas of countryside.* Applicants will be expected to have experience in banking, accountancy, investment management, capital taxation, or such areas. The job also requires tact, diplomacy and negotiating skills.

Letters of application enclosing a CV should be submitted to the Director of the Fund, from whom further particulars are available, by 21 January, 1991.

The National Heritage Memorial Fund is an equal opportunities employer.

National Heritage Memorial Fund
10 St James's Street
London SW1A 1EF

Telephone: 071-930 0963

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

désire [illegible] part d'un accord publicitaire avec
LES ECHOS
le quotidien de l'économie le plus important en France.

Une [illegible] dans le FINANCIAL TIMES et LES ECHOS augmentera de façon substantielle l'impact de votre message sur les cadres dirigeants en Europe.

Chaque semaine les annonces paraîtront dans les [illegible] le mardi et dans le Financial Times le mercredi (le vendredi dans l'Edition Internationale du Financial Times).

Pour de plus amples renseignements, veuillez contacter:
STEPHANIE SPRATT
071 [illegible] 4027

FINANCIAL TIMES
[illegible] BUSINESS NEWSPAPER

هكذا من الأصل

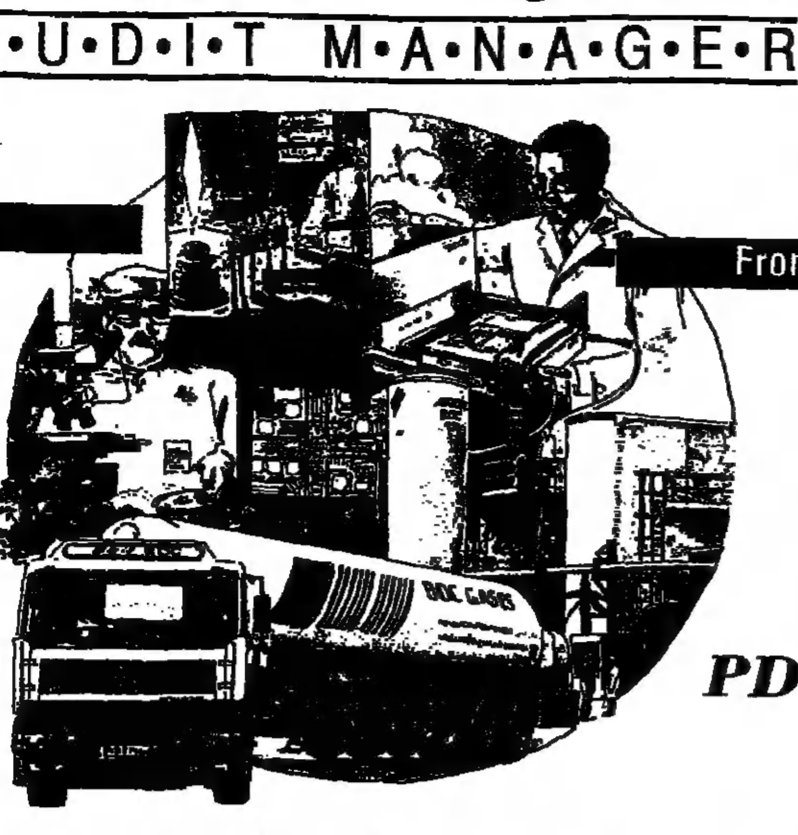
GLOBAL AUDIT+

A·U·D·I·T M·A·N·A·G·E·R

The BOC Group is one of a handful of truly world-class British companies. Their international success has been achieved by becoming world leaders in a range of diverse businesses which include Industrial Gases, Health Care products, Vacuum Technology and Distribution Services. In 1990, the Group's pretax profits reached a record £354 million, turnover rose to £2.8 billion, and their businesses operated in some 60 countries.

Based Surrey

BOC is now looking for a high-calibre Audit Manager to support their world-wide operations. Within broad policy guidelines, you will direct all aspects of the Accounting Control Department based at the Group's International Headquarters. Your duties will include the formulating and scheduling of audit plans, recruiting, training, reporting and administration. Above all it will be necessary for you to form close working relationships with the local Managing Directors and other Divisional and Group managers around the world. The objective is to provide a total business review activity which, not only advises the Main Board of the effectiveness of the controls over the Group's business but also, adds value to the operations themselves through it's business-orientated approach and the high quality of its advice.



Such a challenging role demands an impressive background. A graduate Chartered Accountant in your mid 30's, you will have trained with one of the big firms and gained commercial experience in a line management or senior auditing position within an international company environment. A willingness to travel is essential as a great deal of time will be spent overseas.

From £40,000 + car

The position offers considerable challenge and requires a high level of commitment. In return, the rewards offered are high and will vary according to the experience and potential of the candidate. Benefits include a fully expensed company car and relocation expenses, if appropriate.

Write with full CV, daytime telephone number and salary details, to Patrick Donnelly, quoting ref: FT/075.

PD Consultants

MANAGEMENT-SELECTION
314/316 Vauxhall Bridge Road,
London SW1V 1AA.
Tel:071-828 2273.

Audit Managers

To £40,000 + Car

This client is a major British Group with extensive service sector interests in the UK and overseas. It is a high-profile organisation with substantial financial strength and an experienced tough-minded management.

The two experienced Audit professionals now required will be expected to make a significant contribution to a high-quality audit function. It is a challenging and wide-ranging brief at a level which *concentrates on the major exposures and control issues in the Group* businesses and it will provide a high degree of individual responsibility. Good judgement; professional confidence; considerable drive and determination are essential requirements. Neither manager is expected to remain in audit; it is a secondary objective to use the roles as a testing ground for future top-level management opportunities.

Applicants should be graduate accountants ambitious for a successful commercial career who have several years audit management experience, either handling a relevant portfolio in a major audit firm or holding a responsible internal audit role in another major group. The audit base will be central London with substantial UK and overseas travel.

Please apply in confidence quoting Ref L466 to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7EB
Tel: 071-240 7805

Mason & Nurse
Selection & Search

Finance Director

In a £½ billion turnover division of a highly successful Plc supplying materials to the civil engineering and construction industry. The business is strategically positioned in Europe with major subsidiaries in high growth markets.

- **RESPONSIBILITY** is to the Managing Director for the achievement of high standards of financial planning, reporting, control and analysis.
- **THE NEED** is for a qualified accountant of considerable ability and energy, preferably a graduate or MBA, with practical experience of European accounting procedures. Language skills would be an advantage.
- **SALARY:** c. £50,000 plus share options and incentive bonus. Age 30s. West Midlands base.

Write in confidence, enclosing Curriculum Vitae, quoting reference 7345/FT to:-

TK
SELECTION

8 Hallam Street, London W1N 6DJ. Telephone: 071-580 6113, Fax: 071-631 5317
A DIVISION OF TYZACK & PARTNERS

Chief Financial Officer

For a long established financial services company, now a wholly owned subsidiary of a major European Insurance Group. There is a programme of rapid expansion.

- **RESPONSIBILITY** is to the Chief Executive for all aspects of the finance function particularly controls and systems. A contribution to strategy will be expected.
- **THE REQUIREMENT** is for a qualified accountant with commercial acumen and proven management skills, aged 35–45; experience of financial services would be preferred.
- **SALARY** is likely to exceed £50,000 p.a. plus generous benefits; North West base.

Write in confidence, enclosing Curriculum Vitae and quoting reference: T7281/FT to:-

TK
SELECTION

8 Hallam Street, London W1N 6DJ. Telephone: 071-580 6113, Fax: 071-631 5317
A DIVISION OF TYZACK & PARTNERS

Finance Director

NORTH WEST • CIRCA £30,000 + CAR

This is a high profile role with a young £8m+ plc poised for substantial growth over the next few years. The company is a volume producer of high technology products to a variety of markets and offers an excellent career opportunity for a commercially minded accountant seeking board level involvement.

The major emphasis of the position will be on overall direction of operations from a strong financial, statutory and administrative base. The person appointed will lead a small team charged with the provision of meaningful financial and management information and will also act as Company Secretary. Continued tight financial control is vital to further improve working capital and exploit the company's considerable growth potential. Candidates, in their thirties and qualified, must demonstrate experience and achievement within a plc and have comprehensive accounting experience including legal, pensions and insurances. As the controlling interest in the company is with a well known worldwide group, the ability to work and relate to larger corporate structures is essential.

Interested applicants (male or female) should send a detailed CV or ring for an application form on 0625 533364 (24 hours) quoting reference 1754/FT.

WICKLAND WESTCOTT
HUMAN RESOURCE CONSULTANTS
Emerson Court, Alderley Road, Wilmslow, Cheshire SK9 1NX. Telephone (0625) 532446

Appointments Advertising

appears every Wednesday & Thursday & Friday (international edition only)

For further information please call

Jennifer Hudson
071 873 3607

Richard Jones
071 873 3460

Denise Morrice
071 873 3199

Financial Controller

£35-40,000 + Car + Bonus ***City***

▪ *Our client is a leading derivative clearer and is a large subsidiary of an international financial group. The operation has enjoyed considerable and sustained growth since its establishment and future plans will continue this trend.*

▪ *Leading a small team, the Financial Controller will be responsible for the financial management of the business, most importantly operations accounting and the exercise of strict financial controls. In addition, he/she will further develop a new and increasingly important treasury function. The position reports to the Managing Director with a dotted line to the Group Financial Controller.*

▪ *A Chartered Accountant is required with relevant experience gained in the financial services sector. As well as superior technical skills, candidates will have well developed management abilities and the commercial awareness to enable them to contribute effectively as part of the management team.*

▪ ***Please send career and personal details, quoting reference FR299, to Frances A Bell, Ernst & Young Corporate Resources, 21 Conduit Street, London W1R 9TB.***

ERNST & YOUNG

CORPORATE RESOURCES

INTERNATIONAL NATURAL RUBBER ORGANIZATION

INRO is an inter-governmental commodity organization, with headquarters in Kuala Lumpur, Malaysia. The organization was established under the International Natural Rubber Agreement 1979 and operates under the International Natural Rubber Agreement 1987. INRO invites applications for the post of

SENIOR ACCOUNTANT

The successful applicant will be responsible for the overall accounting and financial functions of the organization and will provide advice to management and members on accounting and financial matters. The salary is at the level of UN scale P3 and ranges from gross (before deduction of staff assessment) US$45,088 to US$61,668 per annum. Additional Benefits in accordance with current UN scales would apply.

MAJOR DUTIES AND RESPONSIBILITIES-

Under the general guidance of the Executive Director to.

Maintain accurate records of all financial operations and transactions including members contribution records, purchase and sales of stocks, payroll, provident fund, multi-currency deposits, worldwide inventories, other receipts and disbursements of funds, etc.

Prepare weekly, monthly, quarterly annual and occasional management reports as well as statutory financial statements acceptable to the organization's auditors. Supervise the operation of the organization's bank accounts. Maintain liaison with banks and financial institutions and authorities. Assist in preparation of budgets, and in cash-flow and investment management. Prepare and present reports on these activities to management and committees. Prepare and present occasional papers, as required, on accounting and financial matters to committees.

Manage the internal control system and procedures.

QUALIFICATIONS AND EXPERIENCE

- University degree with a major in accounting and Certified Public Accountant qualification or its equivalent.
- At least five years working in a senior accounting position
- Computer literacy is essential
- Some foreign exchange experience is desirable.
- Experience of working in an international environment is preferable.
- Strong personality capable of independent work and the ability to motivate others is essential.
- Ability to communicate effectively is necessary
- Fluency in English while knowledge of Chinese, French or Russian will be an added advantage.
- Maximum age. 55

The appointment would be from 1 July, 1991 and extend initially until the expiry of the current International Natural Rubber Agreement and extensions thereto, and for subsequent Agreements thereafter

Applications in English with full curriculum vitae must be received not later than 18 February 1991 by

EXECUTIVE DIRECTOR, INRO,
P.O. BOX 10374, 50712 KUALA LUMPUR, MALAYSIA

MEDWAY PORTS AUTHORITY GROUP

DIRECTOR OF FINANCE - TOTAL PACKAGE c.£50,000 P.A.

The Medway Ports Authority is a progressive and diversified group with a continuous record of growth, now anticipating privatisation in 1991.

Reorganisation and future strategy present an attractive opportunity for a qualified accountant to complete the executive team and make a major contribution to the Group's future.

The ideal candidate is unlikely to be less than 35 years of age, will be from a commercially disciplined financial background and used to controlling the full range of financial services in a competitive and fast changing climate.

The salary and benefits package, including a basic salary of £35,000 per annum, an executive leased car, non-contributory pension scheme and a group profit share, will equate to c.£50,000 per annum.

Applications should be addressed to:-

The Deputy Chief Executive
Medway Ports Authority
Dockyard House
Sheerness Docks
Sheerness
Kent ME12 1RX

Internal Auditor

London

Help the Aged is a professional charity dedicated to providing advice and financial assistance in the care of elderly people.

As our operations continue to expand, we have created a new position reporting to the Executive Director of Finance. The successful applicant will be responsible for the setting up of the internal audit function to ensure that the Charity's accounting and administrative systems are run efficently both at head office and in the field.

This will entail making regular visits to retail outlets and regional offices as well as our trading and housing divisions when you will offer advice on sound, secure and effective methods of financial and stock controls. You will also make recommendations to Management, suggesting the most efficient and cost effective application of systems and procedures, and carry out post project analysis where appropriate.

You should have well developed interpersonal skills, finding it easy to put your ideas across in an informed and friendly way. Ideally with a recognised accounting qualification, it is likely that you will come to us from an accountancy/general management background, having had a wide exposure to various business operations. You must also be computer literate and have sound business acumen. A full driving licence is essential.

Help the Aged offer a salary of around £22,500 plus car and benefits.

Please send full C.V. to Colin Mitchell, Personnel Director, Help the Aged, St. James's Walk, London EC1R 0BE.

Closing date 23rd January 1991.

An equal opportunities employer. Non-smoking offices.

Help the Aged

هكذا من الأصل

Systems Control Manager

Chartered Accountant

c £40,000 + Car

This client, one of the City's leading financial services organisations, is a highly profitable, independent and well-focussed quoted plc, with a clear view of its markets and its corporate role. The Group has a major systems investment and an important programme of developments which include increasing co-operation with external organisations.

In order to strengthen the top management team the new role of Systems Control Manager has been created to upgrade the user interface with IT, to ensure that the right systems are built and accounting integrity is maintained. There is a well-established department of ten to manage, responsible for control over systems and the quality of input and reporting. Enthusiasm for the future development of the systems and good communication skills will evoke a ready response across the organisation.

Applicants should be chartered accountants, trained with a major firm, who have strengths in accounting in addition to audit. Several years relevant commercial experience in a substantial mainframe environment is essential, together with sound management skills. Age guideline 28-35.

Please apply in confidence quoting Ref L467 to:

Brian H Mason
Mason & Nurse Associates
1 Lancaster Place, Strand
London WC2E 7EB
Tel: 071-240 7805

Mason & Nurse
Selection & Search

New Technologies in Personal Communication – A New Opportunity in Audit Management

c£35k plus car & benefits

The Cable & Wireless Group is recognised around the world as a major force in the telecommunications industry. Now, with the launch of Mercury Personal Communications, we aim to revolutionise the U.K. domestic market with a new generation of personal telephones.

Over the next four years, through extensive investment and proven expertise, we shall build a cellular telephone network to meet the growing communications needs of the private customer market.

We are now looking for an experienced yet innovative Audit Manager who will join us at our impressive Docklands offices and assess the working methods and business practices within this new company. In order to reach our ambitious goals it is essential that the procedures we adopt will enable Mercury Personal Communications to operate economically and efficiently from the very first day of operation and throughout the rapid expansion of the next four years and into the next century.

This is a senior management role demanding the strength of personality, man management skills and negotiating abilities to shape policies and attitudes within a large and developing organisation. A track record of previous success in a business launch would be an advantage.

You should be a fully qualified accountant with the breadth of financial, commercial and systems experience to assume full responsibility for planning, reviewing and monitoring the development of strategic systems in a continuously changing environment.

As well as a negotiable salary of around £35,000 p.a., you will enjoy a comprehensive benefits package including company car and BUPA.

If you have the combination of energy and experience to play this demanding but rewarding role in the shaping of a major new force in the telecommunications industry please telephone Rachel Hannon on 071-437 0464 or write to her, enclosing brief details of your career to date, at Robert Walters Associates, Recruitment Consultants, Queen's House, 1 Leicester Square, London WC2H 7BP.

Cable and Wireless plc
THE WORLD TELEPHONE COMPANY

Assistant Group Accountant

c£40K + car + financial sector benefits — Based in the City

Our client is one of the foremost names in the UK insurance industry with an established reputation for sustained growth and excellent customer service.

As a result of recent restructuring, an opportunity has arisen for a qualified accountant to undertake the day-to-day management of the Group Accounts Department within the Company's head office.

This key role requires an exceptional combination of technical accounting skills as you will be organising and controlling the generation of management and financial accounting information from each of the substantial operating Divisions. You will also be instrumental in the development and implementation of corporate accounting strategy at the highest level.

You are therefore likely to be in your mid to late thirties with at least five years broad experience in a corporate financial environment. You should have several years experience of managing and motivating professional staff and a proven capacity to operate close to Board level. We operate a sophisticated computer-based accounting system, so you must be computer literate and have experience in the development of corporate accounting systems.

In return you will be offered an excellent salary and benefits package including a mortgage subsidy and relocation assistance where appropriate.

If you have an outgoing and sociable personality and are capable of working in a changing environment, please send a full cv to Richard Knowles, MSL International (UK) Limited, Broad Quay House, Bristol BS1 4DJ quoting reference number 53216 or alternatively telephone on Bristol (0272) 276617.

MSL International
CONSULTANTS IN SEARCH AND SELECTION

MANAGEMENT ACCOUNTANT ENGINEERING DIVISION

Agent of Change; Facilitating Commercial Success

Swindon — **c.£33,000 + car**

National Power

National Power is Britain's largest generator of electricity. On the brink of privatisation, it has worked hard to re-position itself for the competitive marketplace, and is confident of future success. Strong management teams benefiting from increasingly sophisticated financial support will contribute to its winning formula.

With this in mind the new accountant will manage a small finance team within the Engineering Division and will face the challenging brief of developing and cementing the relationship between engineering and finance. Acting as an important communication channel, the accountant will develop and implement new reporting policies and techniques in conjuction with senior management and will be instrumental in helping engineers achieve business targets. He/she will act as a focal point for all financial matters relating to the division and provide input for strategic planning and decision making processes.

To qualify for this key position, applicants must be skilled, professional communicators with a recognised accountancy qualification to support their expertise. Ambition and self-motivation are equally essential, combined with an understanding of large company reporting requirements and project based accounting systems. Please send a full curriculum vitae, salary details and a covering letter to Hilary Douglas quoting reference N4569/8.

KPMG Selection & Search
70 Fleet Street, London EC4Y 1EU

Financial Controller

Milton Keynes — **£27,000 + Car**

Our client, **Alps Electric (UK) Ltd,** is the successful and expanding British subsidiary of Alps Electric Company of Japan, a world class manufacturer of electronic components.

An opportunity has arisen for a **Financial Controller** to be appointed to take control of the designing and implementation of new systems, and for restructuring and day to day management of the finance department. This position has been newly created and will be instrumental in advancing the future growth of the company.

The successful candidate will need to demonstrate a full and detailed understanding of computerised and manual accounting systems, and of their implementation, particularly in the key areas of costing and stock control, as well as having experience and achievement in a high volume, line production manufacturing environment.

Additionally, he or she will be ACCA/ACMA, and will possess strong personal qualities, including leadership, dedication and excellent communication skills.

For further information on this outstanding opportunity, please contact Mervyn Dinnen ACA on (0908) 690880 (evenings and weekends 0908-671007), or write to him at the address below:

ALPS

Financial Recruitment Services
Exchange House, 494 Midsummer Boulevard
Milton Keynes MK9 2EA

Financial Recruitment Services

FINANCE FOR THE FUTURE

c£25,000 + Benefits — **Northants**

Whitworths Limited, a major division of the Napier Brown Group, is an expanding and successful company within the food processing and packaging industry. Our progressive philosophy of encouraging contribution and change, creates a challenging environment where creative, ambitious individuals can realise their full career potential. Central to our future business strategy will be the appointment of a Commercial Accountant and an Internal Auditor to our team of Finance professionals.

COMMERCIAL ACCOUNTANT

This is a first class opportunity for a qualified accountant with entrepreneurial flair to play a high profile role in the development of commerciality within the organisation.

Working closely with other senior departmental executives, you will provide a financial perspective to the tactical and strategic decision making process. Particular emphasis will be placed on evolving the costing model, promoting a commercial approach to accounting practices and reviewing existing information systems. You will be operating with a great deal of autonomy and so the ability to act on your own initiative is essential.

INTERNAL AUDITOR

To achieve our overall policy of moving the company forward, it is essential that all strategic decisions are based on accurate financial data, underpinned by clearly defined auditing procedures and systems. In the role of Internal Auditor, it will be your responsibility to develop the auditing function from first principles to meet these corporate objectives.

Reporting to the Financial Director, the role calls for the ability to recognise the need for change and to implement it. Objectivity and diplomacy are therefore essential qualities, combined with a professional, practical approach. Ideally a Chartered Accountant, currently operating as an Auditor in a blue-chip environment, you must display the ability to examine the efficiency of the overall business and act in a consultative capacity to provide creative solutions.

Prospects for continued career progression for either position into a wider group role are excellent. The salary indicator of £25,000 should not be a barrier to application as the remuneration package will reflect your skill, expertise and experience.

Please write or telephone for a Personal History Form, stating which position you are interested in to: Mrs. C. Knox, Personnel Officer, Whitworths Limited, Victoria Mills, Wellingborough, Northants, NN8 2DT. Tel: 0933 650318 Ext: 238

Whitworths Limited is an equal opportunity employer and welcomes applications from all sections of the Community.

whitworths
A major division of the Napier Brown Group

Systems Liaison

A broad based management role within Merchant Banking.

Our client is a prestigious UK Merchant Bank which very successfully combines an historical pride with a dynamic, forward-looking approach to business. As a result of an internal promotion we are looking for a Manager to head up a small, close-knit team responsible for providing an in-house business consultancy service throughout the Group. The Department's role, in essence, is to ensure that business users obtain the systems they require and operational areas make optimum use of IT possibilities.

Ideal candidates, probably in their mid-thirties, will be degree holders, preferably with an accountancy qualification, who can demonstrate a thorough understanding of Merchant Banking procedures and experience of sophisticated computer systems in a large multi-user, multi-product, multi-currency environment. Crucial personal qualities include initiative, tact and diplomacy and intellect to ensure immediate credibility at all levels. Flexibility, people management skills and the ability to communicate effectively also feature high on our list of requirements. All of this is a lot to ask of the targeted age group but, in return, our client will offer a salary/benefits package unlikely to disappoint the best.

Please send full career details quoting reference number A3390 to **Malcolm Lawson at Codd Johnson Harris, Human Resource Consultants, 12 New Burlington Street, London W1X 1FF.** Alternatively telephone 071-287 7007 during the working day or 03212 5580 in the evenings. Fax on 071-287 2391.

CJH Codd · Johnson · Harris

Abu Dhabi, United Arab Emirates

Finance Director

Attractive Expatriate Salary and Benefits Package

Our client is one of the leading institutions of higher education in the United Arab Emirates. The institution was established in 1988 with the help of a specialised higher education consultancy firm. It now operates 6 colleges in the Emirates.

Our client is seeking to appoint an exceptional Finance Director who will manage the Finance function.

Reporting directly to the Vice Chancellor, you will be responsible for the development and implementation of sound financial systems including a budgetary control and resource allocation system.

Other key responsibilities will include:

- assisting in the development and implementation of a management information system
- preparation of financial statements
- the day to day running of the finance function
- leadership and effective management of the Finance staff
- the negotiation of funds from Federal Government
- liaising with the College Directors on all financial matters

Ideally you should be aged 35-45 with a recognised accounting qualification. Specific experience of developing and implementing accounting systems and procedures is important including experience of computerised systems. You will also have experience of operating as a senior member of a management team with an impressive track record.

Personal attributes are equally important and you should be able to demonstrate excellent communication skills, the ability to motivate and lead a team of staff and the desire to implement change.

In return the position offers a very attractive tax free salary and other benefits including relocation assistance.

Candidates should write, including full career and salary details quoting reference MCS/8897 to Mark Hartshorne. The closing date for applications is 26th January 1991.

Executive Selection Division
Price Waterhouse
Management Consultants
Livery House
169 Edmund Street
Birmingham B3 2JP

Price Waterhouse

GROUP FINANCE DIRECTOR

SE England c.£60,000 + car + benefits

Our client is a well-established and highly successful contracting group with substantial international interests. It has achieved impressive growth in recent years and plans further expansion both at home and overseas.

The Group now wishes to appoint to the Board a high calibre Finance Director capable of making a significant contribution to the strategic development of the business. The successful candidate will assume responsibility for all aspects of accounting and financial management. Particular emphasis will be placed on the monitoring of overseas projects, involvement in contract negotiation and liaison with professional advisers in respect of fund raising and acquisitions.

The role calls for an experienced FCA with a proven track record in a major international business. Essential qualities include sound commercial acumen, an energetic approach and, above all, the professionalism and stature to establish and maintain credibility with senior colleagues and external advisers.

Please write, in confidence, enclosing full career details to Tim Knight, quoting reference 2555. Our client will have sight of all applications and candidates should therefore indicate any companies which they do not wish to consider.

KPMG Selection & Search
70 Fleet Street, London EC4Y 1EU

Financial Controller

GREATER MANCHESTER **c. £30,000, CAR, BENEFITS**

With a turnover approaching £50m, this multi- site leisure business is enjoying significant growth in both U.K. and overseas markets. This position, reporting to the Finance Director, requires a commercial finance professional to support the ongoing profitable development of the company.

THE ROLE

- Maintain and develop financial controls of the business.
- Responsible for the day to day accounting function. Direct, develop and motivate a team of 20.
- Enhance comprehensive management information systems to impact on current and future profitability.
- Support the Finance Director in Treasury matters.

THE QUALIFICATIONS

- Qualified accountant preferably ACMA. Unlikely to be aged under 30.
- Mature, diplomatic, determined.
- Proven track record in a manufacturing environment.
- Capable of successfully managing change.

Please reply in writing, enclosing full c.v. Ref: M471.

ASB SELECTION

Amethyst House, Spring Gardens, Manchester M2 1EA. Tel: 061-834 0618: Fax: 061-832 9123:

GROUP FINANCIAL CONTROLLER

The company forms part of a major UK group and is a leading manufacturer, wholesaler, and retailer of high quality clothing and other products. In order to strengthen their financial management they wish to appoint a Financial Controller.

Reporting to the Group Financial Director the responsibilities will include: coordinating the production of management information for group operations in the UK, Europe, and the USA, taking a full part in the budgetary process, and developing integrated computer systems.

The successful candidate will liaise closely with the parent group finance function and with the UK Divisional Financial Director in order to gain a thorough knowledge of the company's divisions and their operations.

A qualified Accountant (ACA or ACMA), you should be preferably in your early to mid thirties with a sound background in a manufacturing or wholesale environment. You will need to show systems development experience with a confident character capable of working under pressure.

An attractive remuneration package will be offered and benefits will include a company car, private medical insurance and contributory pension scheme.

Please send full personal and career details including daytime telephone number to box A327 Financial Times. One Southwark Bridge London SE1 9HL

FINANCIAL CONTROLLER/DIRECTOR DESIGNATE

£30,000 + car + benefits + *opportunity ...*

For a leading independent specialist contractor in the manufacture of theatre and television scenery, stage engineering, museum and gallery displays.

Established twelve years ago in Central South London the Company now employs 80 staff turning over £3.5m in 1991 and is forecasting 20% growth for 1991. A strategically significant appointment to complement its strong technical management team is now sought. Achievement of the Company's goals will lead to appointment as Financial Director within twelve months.

You will have responsibility for a small team handling all the financial and cash management functions, statutory and management reporting, with a priority for developing existing costing and budgetary systems, and in addition will provide analytical commercial appraisal and advice at Board level.

The successful candidate will be a qualified accountant aged between 28 and 35 demonstrating a successful track record in commerce. Computer literacy and a natural flair and liking for organisation and administration are essential - acquisition experience and an eye for opportunity will be extremely valuable.

You will be energetic, mature, keen to get out and about, hard dealing and yet have a sense of humour to succeed in this fast turnover high profile industry. Firm financial disciplines are required to maximise the profits generated by a pressurised but dedicated workforce who will reward the person who genuinely enjoys developing individuals into a team drawn from all walks of life.

The Board will have no hesitation in awarding the right candidate capable of picking up this challenging and open opportunity with a share option within 24 months.

Please send a detailed CV in strict confience to Martin Stainton FCA, at Stainton & Shafto, 21 Wigmore Street, London W1H 9LA.

SENIOR ACCOUNTANT

IN INDEPENDENT TELEVISION

c.£25,000 (30 MONTH CONTRACT)

Under the 1990 Broadcasting Act, the ITC assesses the levy payable by Independent Television Contractors. By joining us in central London as Senior Accountant on a 30 month contract, you will play a key role in this process.

Reporting to the External Finance Manager, you will visit ITV Companies in order to verify income and expenditure.

Highly self-motivated and a member of a relevant professional body, you must possess at least 5 years' experience of auditing commercial company accounts; a particular emphasis on corporate taxation and investigative accounting would be an advantage. This experience may have been gained in a large organisation, professional partnership or government agency. As you may be required to travel outside London for up to 16 weeks a year, a flexible approach is also essential.

In return, you will receive a competitive annual salary of c.£25,000, together with an attractive benefits package.

To apply, please write with a full curriculum vitae to Vanessa Connolly, Independent Television Commission, 70 Brompton Road, London SW3 1EY. Closing date 22nd January 1991.

AN EQUAL OPPORTUNITIES EMPLOYER

ITC
Independent Television Commission

CHURCH OF ENGLAND PENSIONS BOARD

Deputy Accountant

The Board, based in Westminster, manages pensions, mortgages, housing and residential homes for the retired clergy and funded pensions schemes for other church employees. Total assets amount to c. £200m. Due to the retirement of the Chief Accountant, a new Deputy Accountant is required to manage the department which handles all accounting for the Board's work. The work is varied and involves contact with financial institutions, the Board's homes and dioceses.

Candidates should be qualified accountants, aged 30-55. In addition to a starting salary of c. £21,500 (reviewed in April) an attractive package includes contracted out, non-contributory pension and subsidised mortgage.

Please apply to: Sir Timothy Hoare, Career Plan Ltd., 33 John's Mews, London, WC1N 2NS.
Tel: 071-242 5775, Fax: 071-831 7623.

Career plan LIMITED
Personnel Consultants

Financial Controller/ Director Designate

Coventry Based, Salary Range £27,000 - £33,000, Car, Bonus Opportunity

This is an excellent opportunity to join a large and dynamic group of companies. This company requires a financial professional to assist in guiding them through this challenging phase of their development and growth intentions. Reporting to the Managing Director the key responsibilities will be to ensure tight financial controls and management, the review and monitoring of results and advising the board on all financial matters. A 'hands on' approach will particularly be required in the early stages of this position to introduce financial systems and controls appropriate to the business. Aged between 26 and 40, and qualified you will have a proven track record at Financial Controller level or above.

Male or female candidates should submit in confidence a comprehensive c.v. or telephone for a Personal History Form to, G. J. Deakin, Hoggett Bowers plc, *13 Frederick Road, Edgbaston,* BIRMINGHAM, *B15 1JD.* 021-455 7575, Fax: 021-454 2338, *quoting Ref: B18208/FT.*

Hoggett Bowers

BIRMINGHAM, BRISTOL, CAMBRIDGE, EDINBURGH, LEEDS, LEICESTER, LONDON, MANCHESTER, NEWCASTLE, WINDSOR and EUROPE

SURREY TEC

FINANCIAL CONTROLLER

Training and Enterprise Council

Woking c.£30,000 + car + benefits

Surrey Training and Enterprise Council is a new company with a projected turnover in its first year of £13 million. It aims to help businesses in the county through promoting and supporting enterprise and through planning and delivering training.

Reporting to the Managing Director, this is an exciting opportunity to join the senior management team and help shape the TEC's future development. The Financial Controller will be responsible for 8 staff and for delivering the full range of financial and management accounting activities, including financial planning and company secretarial services. Initially, key tasks will be to develop current financial accounting controls and systems and to provide relevant, up-to-date financial and management information. Thereafter a wider commercial contribution will be required.

The successful candidate will be a qualifed accountant. Commercial awareness, strong interpersonal skills, computer literacy and a willingness to adopt a hands-on approach to the role are key requirements. Age is not important but the ability to make a positive contribution to the success of the TEC is critical. Relocation and flexible hours can be considered.

Please write in confidence enclosing two copies of your CV, including current salary details, to Richard Fox at the address below.

KPMG Selection & Search
Eastgate Court, Guildford, Surrey GU1 3AE

Appointments Advertising

appears every

Wednesday & Thursday
(Friday in the international edition)

For further information please call:

Jennifer Hudson 071-873 3607	Denise Morrice 071-873 3199
Richard Jones 071-873 3486	Georgina Harris 071-873 3392

FINANCIAL TIMES

FINANCIAL DIRECTOR

C£40,000 + CAR AND BENEFITS • HERTFORDSHIRE

Our Client is a company with a turnover in excess of £20 million and part of a privately owned group. It is the market leader in a growing sector of the Contracting/Service industry largely unaffected by the recession.

Expansion and promotion within the group have provided an opportunity for an experienced and qualified Accountant to join the Company Board.

You will most likely be aged 30-40 and be a Financial Director or have gained experience at a senior level in the Construction/Building industry and possess the organisational and management skills necessary to justify a Directorship. You will influence future growth, which may come organically or by acquisition and should have an impact on profitability.

This is an ideal opportunity to join an expanding area of activity with a progressive, positive company.

To apply write with full CV., stating current salary, to Sarah Pavey at Christian Davies Advertising Consultants, 3 The Mews, Brickendonbury, Brickendon Lane, Hertford, Herts SG13 8NP; quoting ref. SP 1191

Christian Davies
ADVERTISING

UK toll-free number: 0800 289 137

WEST MIDLANDS c £35,000 PACKAGE + CAR

Treasurer

The strategic plan of this reputable £30 million manufacturer of advanced electronic equipment is to double in size in 3 years with the introduction of newly developed products and by increasing exports.

In coping with the management of these changes, major importance is being focused on establishing an independent treasury function with control over all aspects of accounting involving cash, credit or financial management.

You will be a member of one of the 3 major accountancy bodies and have had experience of control over all aspects of cash management.

Experience in the area of exports/foreign exchange is also a key requirement as the company increases its level of activity.

Please send full personal and career details, including current remuneration level and daytime telephone number, in confidence to John Elliott, Coopers & Lybrand Deloitte Executive Resourcing Ltd, 43 Temple Row, Birmingham B2 5JT, quoting reference JE194.

Coopers & Lybrand Deloitte | Executive Resourcing

Director of Finance

Circa £40k plus performance bonus and benefits

In its efforts to assess and meet the future health care needs of the local residents, South Bedfordshire Health has adopted a positive approach to the implementation of the NHS reforms. This post is a key position within the commissioning authority with the postholder playing a leading role in the development of the District's purchasing function.

The Tasks ...

* Ensure value for money contracts for the residents of South Bedfordshire.
* Overall financial control of the District's resources.
* Development of new control systems and Management Information to support service contracting.
* Strategic planning as an executive member of South Bedfordshire Health Authority.

You will have ...

* An understanding of the commissioning process on Health Care.
* Senior management experience in the NHS or similar organisation.
* A track record of sustained achievement.
* First class communication skills.
* A professional accountancy qualification.

The Rewards ...

* Excellent salary and benefits plus performance bonus
* Relocation package.
* Lease car.
* Attractive pension scheme.
* 6 weeks holiday.

Interested ...?

* Informal enquiries to:
  Mr D Eaton, Chief Executive on (0582) 37121.
* Information package from:
  District Personnel (0582) 37121 extension 325.
* **Applications in writing enclosing CV to:**
  Mrs J Smith
  Director of Manpower and Organisational Development
  South Bedfordshire Health
  Bute House
  7 Dunstable Road
  Luton
  Bedfordshire
  LU1 1BB
* *CV's to be received no later than 31 January 1991.*

SOUTH BEDFORDSHIRE HEALTH

FINANCIAL CONTROLLER

With Acquisitions Bias

S.YORKS **c £35K + CAR + BONUS + EQUITY**

Our client is a long-established manufacturer and distributor of a range of market-leading consumer and industrial products. Subject to a successful buy-in 18 months ago, it has benefited from a management restructure, resulting in a number of strategic acquisitions, which double turnover to over £150m. The industrial products division, itself poised to make its first acquisitions, now requires a young, commercially-minded accountant to control this growth.

Reporting to the divisional MD, you will assume responsibility for the evaluation of potential acquisition targets in the UK and overseas, and their subsequent integration into the group. A major priority will be the installation and control of a PC-based financial reporting system, enabling the timely production of detailed information for divisional management decision making and group reporting. You will also play a pro-active role in the identification of areas for enhancing profitability and assume functional responsibility for four business financial controllers.

A qualified accountant, you will have gained directly relevant experience, in a multi-site environment within a divisional reporting role of a progressive plc. You will have a strong presence and persuasive communication skills - ideally with fluency in French and/or another European language. Travel in the UK and overseas can be expected.

Benefits are excellent and include an opportunity for equity participation as the company heads towards a future flotation.

To respond to this challenge, please address your cv, with the details of salary and current photo if available, to:

Melinda Hughes, Portland International Management Consultants, Lloyds House, 18 Lloyd Street, Manchester M2 5WA.

Portland International
Management Consultants Limited

A MEMBER OF DOCTUS PLC

FINANCE DIRECTOR

ESSEX
£40 to £45k + CAR + BENEFITS

This is a key and influential appointment in a service engineering company, mainly trading in the automotive industry.

Located on a prime industrial site working in pleasant modern surroundings.

The successful candidate will be responsible to the Board of Directors with full accountability for optimising financial management, controls and disciplines of the Company's diverse operations, and Treasury.

Applicants should possess a strong personality, be a fully qualified accountant, in the age range 30-45, with a minimum of 3 years experience as a financial and/or treasury director.

Please send full personal and career details in confidence to Jonathan Cohen at:

Vandenburghs
CHARTERED ACCOUNTANTS
Latimer Court
329-333 Latimer Road
London W10 6QZ
Telephone: 081-968 0123
Facsimile: 081-968 0124

Manchester c.£37,500+Car+Benefits

Financial Controller

The Finance Division of one of the biggest commercial groups in the country provides financial services ranging from banking to hire purchase and leasing. It comprises a number of companies of varying size and complexity, and turnover exceeds £700 million.

Developing and profitable, its growth plans call for the appointment of a Divisional Financial Controller, who will take responsibility for all management and statutory accounting for the Division, and for all business information and control systems.

The successful candidate will be aged mid-30s upwards and a well-qualified, computer familiar Chartered Accountant. The holder of this newly-created post will hopefully but not vitally have financial services industry experience. Importantly, the incumbent will be required constructively to bring together the accounting functions of formerly independent companies, and will become a key member of the management team of the Division's consumer and corporate finance company.

We seek a practical hands-on worker with tact, persuasiveness, professionalism and commitment. In return the benefits package will be appropriate to that of a major U.K. organisation.

Letters of application, together with CV, salary progression and any other relevant data, should be sent without delay to Mr P.L. Weigh, Company Secretary, The Great Universal Stores PLC, P.O. Box 99, Universal House, *Devonshire Street, Manchester M60* 1XA, quoting reference P176.

G.U.S. The Great Universal Stores P.L.C.

WASSALL PLC

Corporate Development - Assistant to Director

The opportunity exists at the London Head Office for a man or woman to act as assistant to the Director responsible for corporate development at this diversified industrial group. The position will mainly involve research and analysis of acquisition opportunities in the UK and elsewhere. The successful candidate will probably be a qualified accountant in their late twenties, preferably with direct experience of investigatory work.

Applicants should write, enclosing a C.V. and passport sized photograph to:

Philip Turner
Director
Wassall PLC
Control House
247 Cromwell Road
London SW5

Wassall PLC

FINANCE DIRECTOR

Alexon Brands Limited

Alexon Brands Limited is the management board of the retail arm of Alexon Group plc and is responsible for co-ordinating and directing the activities of the three fashion brands of Alexon, Eastex and Dash through two divisional boards.

As part of the continuing strengthening of this board we are looking to appoint an experienced Finance Director.

Responsible to the Alexon Brands Limited Managing Director, the successful candidate will be responsible for the development and implementation of Group financial and D.P. policies through two divisional directors and their relevant support staff.

Applicants must possess a proven track record in financial control and D.P. systems, preferably in a retail environment, together with an ability to work as part of a small team of senior management controlling all aspects of Group retail activities.

An excellent package will be offered to include profit sharing, share options and full benefits package, together with the opportunity to join a newly developing management team.

Write, will full c.v. to:–

MR. VINCE McCOY,
Group Personnel Director, Alexon Group plc,
73 Welbeck Street, London W1M 7HA.

ALEXON

accounting for health

posts for qualified and part-qualified accountants at all levels in the south east

From South London to the coast of Sussex and Kent – if you have financial experience, are fully or part-qualified or are looking for study opportunities you can realise your full potential, accounting for health care with SETRHA. You will be based within the Finance Directorate at RHQ, Bexhill-on-Sea, or in one of the 15 DHQ's or Units in our Region.

Career prospects are excellent and we offer an unbeatable package which includes relocation assistance, pleasant working conditions and well structured and progressive training and management programmes.

If you want to work in a dynamic, changing and challenging environment with plenty of scope for career development and promotion join us at one of our Buffet Receptions and meet senior staff who can give you all the details. Specific interviews can be arranged at a time to suit you if necessary. Ring Paula Cook on 0424 730073, ext. 2026, for full details.

MAIDSTONE Post House Hotel, Wrotham	Tuesday 15 January	6pm-9pm
LONDON Charing Cross Hotel	Thursday 24 January	5pm-9pm
EASTBOURNE Queens Hotel	Tuesday 29 January	6pm-9pm

good health needs good financial management!

we are working towards equal opportunities

people for health – health for people

SOUTH EAST THAMES REGIONAL HEALTH AUTHORITY

The North Middlesex Hospital NHS Trust will become operational on 1st April 1991. Located in Edmonton and serving the local population, the Trust has in excess of 500 beds and all the services affiliated with an Associated University Hospital.

As a consequence of The North Middlesex Hospital's successful application to acquire self-governing status as an NHS Trust, we are now entering a new phase of innovation and development.

In keeping with this, we are looking for a key Director to join our team in managing and supporting the transition from Health Authority control.

Director of Finance

salary in the range of £32 - £39K

Ref no. AC/101

Your primary task will be to lead the Finance Department in providing advice and central finance services to departments and senior management. You will also be required to fulfil the statutory responsibilities of validating the Trust's annual financial accounts.

The successful applicant will be responsible for approximately 40 staff and will control a revenue budget of £30 million and a potential operating income of £51 million for the 1991/1992 period.

For further information please contact Mr Derek Miller on telephone no. 081 807 3071 Ext.3119

Applicants should have some experience of the management of change within a large organisation along with a thorough knowledge of the legislation relating to NHS reforms.

We offer an excellent benefits package which includes a lease car scheme, relocation expenses and temporary single accommodation.

If you feel you have the skills and experience to meet this challenging but rewarding post, we would like to hear from you.

We are expecting to interview on the week commencing 21st January.

Application forms and job descriptions can be obtained from The Personnel Department, The North Middlesex Hospital, Sterling Way, Edmonton, London, N18 1QX or by telephoning 081 807 2835 (24 hour answering service), quoting the relevant reference numbers.

Closing date: 21st January 1991

NMH The North Middlesex Hospital NHS Trust

MACARTHY PLC

GROUP FINANCIAL ACCOUNTANT

C£24K + Car **Beds.**

Macarthy PLC is a healthcare group engaged in the manufacture, distribution and retailing of pharmaceutical, medical and healthfood related products in the U.K. The Company aims to build a group comprising high quality businesses which are responsive to customer demands and have significant shares of the markets they serve.

At our Group Headquarters in Leighton Buzzard we are currently seeking to recruit a bright young Financial Accountant to join our Finance team. The successful applicant will assist the Group Chief Accountant in providing financial information on the Group's operations, compiling the statutory accounts and returns, and undertake ad hoc investigations.

The ideal candidate will be a recently qualified Accountant (1 year Post Qualification Experience), with good 'hands on' personal computer experience who can demonstrate commitment, drive and determination to help the Company achieve its aims and ensure its place in the market. The position offers excellent opportunities for further advancement within the Group.

In return we offer an attractive salary and benefits package. If you feel that you can take up our challenge, then please in the first instance, forward a full C.V. to Mrs. A. McCarthy, Personnel Department, Macarthy PLC, Delta House, 33 Hockliffe Street, Leighton Buzzard, Beds. LU7 8EZ.

ACCOUNTANCY RECRUITMENT CONSULTANT

London

OTE £45k including excellent basic (20/22k) + Generous bonus + Company Car + Bupa + Pension.

One of London's most prestigious consultancies, urgently needs excellent consultant, aged 24/30 with 2 years experience placing qualifieds in Industry and Commerce. Exceptional business opportunity.

Telephone Tim Rodda on
071 872 0000
AMA PLC REC CONS

Chief Accountant

National Charity

c.£25,000

A long established Christian Charity based in North London which provides homes and holiday facilities for disabled people, is looking for someone to succeed to this post on the retirement of the Accountant. The work includes supervision of the accounts department, internal audit of accounting at homes, budgets, final and management accounts and liaison with local authorities.

Candidates must be qualified accountants, computer literate, probably aged late 20's to early 50's and possess the managerial qualities to justify promotion in due course. They must be in sympathy with the Charity's evangelical Christian standpoint.

Please apply to: Sir Timothy Hoare, Career Plan Ltd., 33 John's Mews, London, WC1N 2NS.
Tel: 071-242 5775, Fax: 071-831 7623.

Career plan LIMITED
Personnel Consultants

The Top Opportunities Page

Appears in the Financial Times every Wednesday

For further information please contact

Elizabeth Arthur
071-873 3694

Stephanie Spratt
071-873 4027

هكذا من الأصل